MONDAY SPORTS
MAZDA WINS LE MANS
Page 14

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 33,691 26/91 ** LONDON, MONDAY, JUNE 24, 1991 ESTABLISHED 1887

Andorra 8.50 F. Iceland 175 kr. Oman 1.000 Baisa
Antilles 10 F.F. Iran 115 Rials Poland 18,000 Zł.
Austria 25 S. Israel NIS. 4.50 Portugal 180 Esc.
Bahrain 0.800 Din Italy 2,200 Lire Qatar 8.00 Riels
Belgium 55 B.Fr. Jordan 1 JD Rep. of Ireland 90 P.
Bulgaria 40 Leva Kenya Shs. 45 Réunion 10 F.F.
Cyprus C£ 1.00 Kuwait 500 Fils Saudi Arabia 6.00 R.
Czechoslovakia 25 Kr. Lebanon U.S.$1.10 Spain 175 Ptas.
Denmark 12.00 D.Kr. Libya L.Din. 0.80 Sweden 11.00 S.Kr.
Egypt E.P. 4.500 Luxembourg 55 L.Fr. Switzerland 2.00 S.Fr.
Finland 10.00 F.M. Madeira 165 Esc. Tunisia 1.000 Din
France 8.50 F. Morocco 11.00 Dh. Turkey T.L. 6,500
Germany 3.00 D.M. Netherlands 3.25 Fl. U.A.E. 8.50 Dirh.
Great Britain £0.75 Norway 12.00 N.Kr. U.S.S.R. U.S.$2.00
Greece 200 Dr. Nigeria 16.00 Naira U.S. Mil (Eur.) $1.00
Hungary 115 Ft. Pakistan 15.00 Rupees Yugoslavia 43 ND

A Rival at KGB For Gorbachev

Economy Is Flashpoint

By David Remnick
Washington Post Service

MOSCOW — Mikhail S. Gorbachev rose to the top of the Soviet leadership six years ago with the patronage of the KGB, a champion of "renewal" of state socialism. But with ideology now in ruins, his most powerful political rival may well be the head of the Soviet intelligence agency.

NEWS ANALYSIS

Vladimir A. Kryuchkov's vision of the world is not much different from that of Yuri V. Andropov, the former spymaster who brought Mr. Gorbachev to Moscow from the provinces. Mr. Kryuchkov, like Mr. Andropov, believed that an infusion of technology, efficiency, incentives and discipline could save the economy.

For four years or more, Mr. Gorbachev agreed. His first economic initiatives were based largely on the model of Leninism's brief period of semimarket change in the early 1920s that was eventually eliminated by Stalin.

For millions of Soviet citizens, the centralized economic system was a bankrupt idea by 1988, if not long before. But in the Kremlin, talk of a market economy, much less massive assistance and cooperation from the capitalist West, was still largely taboo. Cooperatives — a hybrid form of small businesses — were the cutting-edge idea.

But now private enterprise is ascendant and cooperatives are almost quaint. Mr. Gorbachev himself now speaks freely of building a market economy, with its stock markets and commodities exchanges. He dispatched the economist Grigori Yavlinsky to develop a plan of targeted aid from the West. Mr. Yavlinsky, 38, mapped out a six-year sequenced program with the help of scholars at Harvard University — the heart of the bourgeois conspiracy.

Mr. Gorbachev last week told the European Community's leader, Jacques Delors, that only the "hurrah patriots" see the current trend toward the market as "the path to perdition, a slide back to capitalist slavery."

Mr. Kryuchkov, the Gorbachev choice as KGB chief in 1988, is a quintessential "hurrah patriot." Now that Mr. Gorbachev appears to be leaning toward an alliance with change-minded politicians, including the Russian president, Boris N. Yeltsin, Mr. Kryuchkov's protests against "capitulation" to the West have taken on a strident, even desperate tone.

In an earlier day, a KGB chief in distress might attempt a palace coup. Mr. Kryuchkov has taken another route. He appears to be one of the leaders of last week's unsuccessful attempt at convincing parliament to transfer some powers from Mr. Gorbachev to the conservative prime minister, Valentin S. Pavlov.

On Saturday night, he tried another means of political pressure: television. Alexander Nevzorov, a rightist journalist

See KGB, Page 2

Marlin Nangle/The Associated Press

Adair Says Bureaucracy Slows Effort to Cap Oil Fires

Red Adair, center, the veteran American oil firefighter, leading the capping of a Kuwaiti oil well Sunday. He said that Kuwait's bureaucracy was hobbling attempts to put out the fires and warned that unless changes were made, some of the wells could still be burning four years from now. About 175 fires have been extinguished out of 600 ignited by Iraqi troops.

G-7 Nations Agree to Brake Dollar's Climb If Necessary

By Leigh Bruce
International Herald Tribune

LONDON — The seven leading industrial countries agreed on Sunday to "concerted action in exchange markets" if necessary to rein in the rising dollar.

Finance ministers and central bank governors of the Group of Seven also agreed to consider measures to enhance the economic prospects of the Soviet Union but made no commitment to massive financial aid, stressing the need for "sustained economic reform." They agreed, however, that the idea of granting the Soviet Union "associate status" in the International Monetary Fund should be pursued.

Their statement was issued after seven hours of talks on the global economy and aid to the Soviet Union in advance of a G-7 summit meeting in London on July 15-17.

The officials from the United States, Japan, Germany, France, Britain, Italy and Canada fell short of adopting a target value for the dollar or of defining precise criteria for future intervention.

Despite the lack of specifics, several delegations came away from the meeting convinced they had agreed to place a cap on the dollar and to take concerted action whenever the U.S. currency strayed too far from its current value.

The dollar, rising on market sentiment that the U.S. economy is recovering, has gained 20 percent against the Deutsche mark this year, closing Friday just above 1.80 DM. The currency stands at around 139 Japanese yen.

France, Germany, Japan and others have maintained that an overly powerful dollar tended to increase inflationary pressures by boosting the price of raw materials, and forced interest rates to remain high as a result, dampening growth.

Foreign exchange analysts dismissed the likelihood that the G-7 statement would have any restraining effect on the dollar's value, without either interest rate cuts that the United States can ill afford, or interest rate hikes that its partners would like to avoid.

Paul Chertkow, currency analyst at Citibank in London, said that the statement smacked of "intervention by rhetoric."

"They seem to think they can convince the market there is a level beyond which the dollar shouldn't move," he said. "But that's not real, it can't be defended."

David D. Hale, economist with Kemper Financial Services in Chicago, said he expected currency traders to "wait and see how much central banks are willing to spend in the next four or five days. So far we've had very modest intervention and the United States has not played a part."

But he added that "if the dollar shows material strength intervention by itself won't be enough to stop its rise." That would require policy changes that do not seem likely, he said.

The president of the Bundesbank, Karl Otto Pöhl, insisted after the meeting that the G-7 was now ready to intervene forcefully whenever necessary. He said the seven nations had not been specific about their plans because "that would spoil the charm a bit."

Japan's finance minister, Ryutaro Hashimoto, maintained that "from the viewpoint of what the dollar levels should be, the G-7 countries share the view that it is nearing its ceiling."

Nevertheless, the U.S. Treasury secretary, Nicholas F. Brady, seemed to dismiss the concern about the recent surge in the dollar. "Over a period of three or four years now we have had orderly markets and this recent movement" of the dollar "fits within those orderly markets," he said.

The G-7 ministers and central bank governors also reached no accord on global interest rates, a subject that caused some discord at a previous meeting of finance ministers in April in Washington, when the United States pressed its partners to relax the monetary squeeze. They merely recognized in their communiqué that "the approach taken would need to reflect the differing conditions in each country."

The softer tone on interest rate policy seemed to be a product of a recognition that no consensus existed on the subject and of renewed optimism on economic prospects.

Summit participants stressed the need for sound policies and economic change in the Soviet Union as the best means of solving that country's problems and attracting Western money.

Mr. Brady said "large sums of money were not what we were talking about here" and reiterated the view that President Mikhail S. Gorbachev should not expect to receive big financial commitments when he meets G-7 leaders in London.

Croat and Slovene Secession: Long Stride Toward Civil War

By Blaine Harden
Washington Post Service

KIJEVO, Yugoslavia — Seen through Balkanized lenses, there is a logic behind the yearlong descent of Eastern Europe's most developed post-Communist country into a morass of police shoot-outs and mass distribution of automatic weapons, economic collapse and boundary disputes, political paralysis and constitutional crises.

Through these lenses, civil war in Yugoslavia almost makes sense.

The country may take a long step toward such a conflict on Wednesday when the republics of Croatia and Slovenia plan to declare independence. No blood would be shed over Slovenia's secession, but the republic of Serbia has said it will never allow the 600,000 ethnic Serbs who live in Croatia to become part of another country. The federal government is more or less powerless to do anything.

NEWS ANALYSIS

The wild card is the federal army, dominated by Serbian Communists, which has said it will not tolerate a breakup but has been curiously silent as of late.

Serbs, totaling more than 8 million, and the 4.5 million Croats are southern Slavs who speak the same language, with variations, but have different religious and historical backgrounds.

As pictured in conversations with politicians, professors, businessmen, housewives, priests and taxi drivers, many Croats see Serbs as ethnic caricatures: Congenital liars who wear beards, they cannot be trusted with public or private money. Their taste for authoritarianism makes them unacceptable to the democratic West. Their mystical Oriental traditions make them poor businessmen. They prefer the pageantry of war to an honest day's work. They are bent on hegemonic conquest of Croatia — but they are cowards.

As pictured in conversations with Serbs, Croats are plodding burghers who put on West European airs while harboring fascist fantasies. Obsessed with flags and pompous ceremony, they are agents of a timeless Roman Catholic conspiracy against the Serbian Orthodox Church. Given a chance, they will repeat the genocidal excesses of World War II. They are bent on driving Serbs from their lands — but they are cowards.

These caricatures have immense political power because they are not wholly unrelated to the historical truth. Before Yugoslavia was formed in 1918, Croatia and Serbia spent the better part of 1,000 years on opposite sides of Europe's great cultural divide, each believing itself the forward outpost and defender of a great

See YUGOSLAVIA, Page 4

IHT

Kiosk

Muslim Group Threatens Kuwait

AMMAN, Jordan (AP) — A Muslim fundamentalist group threatened Sunday to strike at Kuwaiti interests worldwide if the emirate executes Jordanians convicted of collaborating with Iraqi forces during the Gulf war.

"If Kuwait continues its unfair trials, or executes Palestinians and Jordanians, painful terrorist attacks will be directed against it around the world," the Islamic Liberation Front said in a statement.

General News

A bigger EC? At least 11 other Europeans want in. Page 2.

An AIDS victim infected by her dentist issued an angry plea for protective laws. Page 3.

Monday Q&A

East Asia is moving toward a benign era, according to a U.S. expert on the region. Page 2.

Business/Finance

A brokerage scandal in Japan took on new dimensions over the weekend. Page 7.

An OECD report urged unified supervision for international securities houses. Page 7.

Crossword Page 4.

Weather Page 2.

New Travel Infractions Leave Sununu on Shakier Ground

By David Johnston
New York Times Service

WASHINGTON — The White House has imposed strict new travel rules on John H. Sununu after an internal review found that the chief of staff misinformed Bush administration officials about who had paid for his trip on a private jet to a recent Republican fund-raising event in Chicago.

The new rules require Mr. Sununu to arrange his travel for political events through the White House Office of Administration, which will obtain transportation for him, White House officials say.

The administration office is under Mr. Sununu's authority as chief of staff, and officials said the White House counsel will also review the plans before they are approved.

This latest and most aggressive effort to rein in Mr. Sununu touched off a new round of speculation among the president's political associates about Mr. Sununu's survival in office.

These Bush associates believe that Mr. Bush needs Mr. Sununu to help organize the 1992 campaign, but they now seem less certain about the solidity of the chief of staff's position.

[Mr. Bush indicated Sunday that he would keep Mr. Sununu, The Associated Press reported from Washington. Returning to the White House from Camp David, Maryland, Mr. Bush gave a thumbs-up sign while walking from his helicopter and said, "Yes," when reporters asked him, "Will you keep Sununu?" and "Will Sununu stay?"]

In a statement Saturday, Mr. Sununu shifted from a defiant posture and struck a chastened tone, acknowledging that his travel habits had created the "appearance of impropriety" and expressing regret.

"Clearly no one regrets more than I do the appearance of impropriety produced as a result of the events surrounding my recent travel," said Mr. Sununu.

"Obviously, some mistakes were made. Certainly, I regret that my own mistakes contributed to this controversy."

Mr. Sununu said that he himself had asked that travel procedures be clarified, "in order to insure that there is no repetition of even the appearance of impropriety."

The latest rules, first reported in Saturday's issues of The Washington Post and The Los Angeles Times, marked the third — and potentially most damaging — instance in which the chief of staff has been publicly rebuked about his travel habits.

Mr. Sununu was first chastised last month for his use of military aircraft for personal trips to a Colorado ski resort and to visit his dentist in Boston.

Early last week, after Mr. Sununu used a government limousine to travel 250 miles (400 kilometers) to a New York stamp auction, Mr. Bush defended his chief of staff but said he had created "an appearance problem."

Mr. Bush has been increasingly embarrassed and irritated by what one friend has described as the kind of "chintzy-looking" behavior that the president wants to avoid.

The new orders, issued Friday, came after Mr. Sununu asked a Republican contributor to arrange travel aboard a private jet to a political fund-raising event in Chicago on June 11 without disclosing it to C. Boyden Gray, the White House legal counsel, as required under travel policies.

The White House said Saturday that the trip to a Republican Governors Association event had been paid for by the contributor, Stuart Bernstein, a Washington real estate developer, but Mr. Sununu told Mr. Gray only about the identities of the aircraft's owners, who did not pay for the flight.

Mr. Sununu's behavior, although within the law, has appeared to fall outside the limits of the president's publicly stated standard that official conduct must be both technically legal and above any appearance of impropriety.

Le Premier Ministre's Studiously Apolitical Spouse

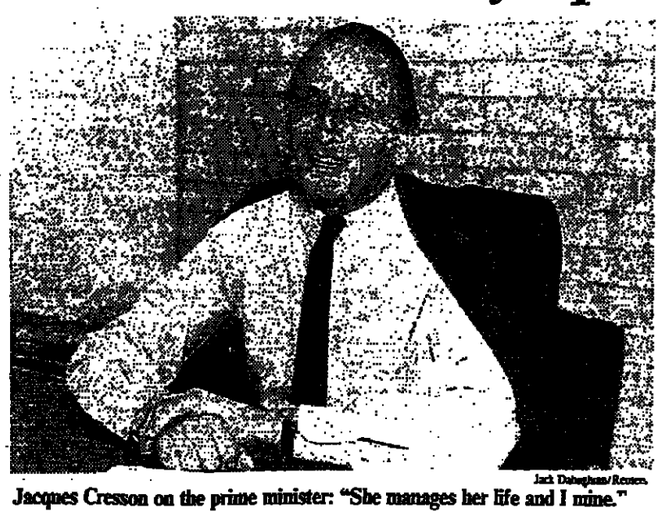
By Mary Blume
International Herald Tribune

PARIS — When Edith Cresson gave her maiden speech as prime minister, plainly nervous, she was attacked both for content and presentation. Her husband, Jacques Cresson, did not hear the speech as he had business meetings that day. He knew she would be attacked: It is obligatory, he says, and there was nothing he could do. He describes himself as apolitical with a capital A.

"You know if in a household you have a husband and wife who are both doctors there is a sort of rivalry even if one takes care of the throat and the other the spleen," he says. "In our case we have totally different professions and have had for a long time. She manages her life and I mine. Professionally, each has his or her own problems and each has his or her own path."

Independence, for him, means mutual respect but not indifference. Although as a private person he kept his reaction to himself, he was shocked when, shortly after being named France's first woman prime minister just over a month ago, his wife was described as a modern-day Madame de Pompadour.

"It is completely shocking because it would never be said of a man. If she is attacked for her political strategy that's perfectly normal, but to be attacked because of your sex — I find that both macho and impoverished. It's the sort of low blow that is an admission of impotence."



Jack Dabaghian/Reuters

Jacques Cresson on the prime minister: "She manages her life and I mine."

Jacques Cresson is tall and slim with a ready smile and the habit of slinging his jacket over his shoulders, Italian style. After a high-level career in industry he is sufficiently familiar with the corridors of power to know where to tread. He doesn't know his wife's staff or visit her office and was amused to learn, from Paris Match, that an invitation to a parliamentary reception this week begins "Le Premier Ministre et M. Jacques Cresson."

"I am the wife," he said laughing and added, "Why Premier Ministre and not Première? That's sexist itself."

The Cressons have not moved from their apartment near the Place de l'Alma to the prime minister's official residence, the Hôtel Matignon, where her predecessor, Michel Rocard, lived.

"There was no pressure to and no desire on our part. My wife has been a minister for some time and we could have lived in several ministries — agriculture is particularly pleasant — but she never even thought of it. Perhaps it is all right for people who don't have a place in Paris, but we have an apartment we like, and anyway all politics is temporary."

Mr. Cresson's father was a French physician who practiced at the court of St. Petersburg and married a woman from the Baltics. Mr. Cresson was raised by a Russian nanny (his wife's nanny was English) who died recently at the age of more than 100 and who also raised their two Russian-speaking daughters, now 28 and 30.

One daughter is a doctor who specializes in tropical biology with her husband in Montpellier. The other is married, lives in Paris and has forbidden her father to talk about her. "I can't say more or I would have my ears pulled off." The Cressons will be grandparents shortly.

Mr. Cresson, 67, was talking in his office, a short walk from the flat, as president of ACECO (Association pour la compensation des échanges commerciaux). He took on the job after retiring as head of exports at Peugeot a year ago because he didn't want to drive everyone mad by hanging around the house and because

See CRESSON, Page 4

Pyongyang's Static Isolation

By Don Oberdorfer and T.R. Reid
Washington Post Service

PYONGYANG — Despite speculation in the West that this isolated Communist nation may be showing signs of political change, North Korea's leaders are emphatically proclaiming that their own style of socialism will pull them through as Marxism collapses elsewhere around the world.

"I don't know the word 'isolation,'" said Kim Yong Sun, secretary for international affairs of the governing Korean Workers' Party and one of the country's top foreign affairs officials.

He insisted that this country's diplomatic ties with Asian nations were improving, even as South Korea basks in its new cordiality with the changing Soviet Union of Mikhail S. Gorbachev and the countries of Eastern Europe.

Mr. Kim and every other official interviewed during a six-day trip said North Korea would not swerve from the path carved out four decades ago by President Kim Il Sung, the 79-year-old founder of the Communist state, whose portrait and teachings are everywhere and who is referred to as "the Great Leader."

The biggest surprise found in this rarely visited land, which is linked to the rest of the world by eight airline flights and seven trains a week, is that top officials profess to be completely unconcerned about the revolutionary reversals of their former allies.

"We simply wish the Soviet

See KOREA, Page 4

'On Paper,' a Cambodia Truce

By Philip Shenon
New York Times Service

BANGKOK — The Vietnamese-backed Cambodian government and the three major guerrilla forces opposing it agreed Sunday to an indefinite cease-fire that is similar to a truce established earlier this year and then largely ignored.

Prince Norodom Sihanouk, the head of one of the guerrilla groups, announced the cease-fire after meetings this weekend in Thailand with the Cambodian prime minister, Hun Sen, and leaders of the other two guerrilla factions, the Khmer People's National Liberation Front and the Khmer Rouge, whose brutal reorganization of society in the 1970s resulted in more than 1 million deaths.

"We accept a continuous cease-fire, a cease-fire without time or limit," the prince said on the eve of a new round of peace talks to end Cambodia's 12-year civil war. "We can say that there is no more war in Cambodia, at least on paper."

Leaders of both the Cambodian government and the guerrillas have been more willing to declare breakthroughs in the peace process in recent months than actually to make peace.

In September, all four factions agreed on a United Nations-sponsored peace settlement that called for an indefinite truce and free, internationally supervised elections. But the truce appeared to fall apart almost as soon as it took effect on May 1, with each faction accusing the others of violations.

New and Bigger EC? At Least 11 Other Europeans Want In

By Joseph Fitchett
International Herald Tribune

PARIS — Even as the European Community threshes out internal changes, the leaders increasingly view another far-reaching step as almost inevitable: expansion of the 12-member EC to 23 or more, probably by the end of the century.

Enlargement has been forced on the EC's agenda in recent months mainly because of disintegration in the Soviet Union, European and U.S. officials say.

"A year ago our idea was an overarching structure between Western Europe and Moscow which, we assumed, would take care of stability in Eastern Europe," an official said. "But the Soviet buttress has crumbled."

East Europeans, particularly in Czechoslovakia, Hungary and Poland, are convinced that opportunities of working with Moscow are evaporating and that the EC offers the only hope of tangible economic and political partnership.

Under this pressure, there is "de facto consensus," a European official says, that it will be impossible to refuse membership to East European democracies.

In addition, Europe's neutrals, grouped in the seven-nation European Free Trade Association, last week made fresh concessions aimed at obtaining a 19-nation free-trade common market.

Already Austria and Sweden have announced that they see this as a fast track to EC membership, probably by 1995. Switzerland and other countries of the trade association will follow in hot pursuit.

With the EC being jealously courted by Eastern Europe and by the neutrals, "leaders in all 12 member states now accept the idea that sooner or later, and probably

NEWS ANALYSIS

sooner, they will have to let their neighbors in," according to an official in Brussels.

This new mindset is only a psychological shift, which could change if the course of developments in Eastern Europe is sharply reversed. And the prospect of a Europe of more than 500 million citizens — stretching from the Atlantic to Moscow's gates — does not thrill all West Europeans equally.

Germany and France are publicly at odds over it, with Paris stressing how long East European economies will take to be able to compete inside the EC.

But the East European governments' insistence on EC membership has gradually discredited the alternatives.

It is hard to pinpoint the moment when EC attitudes pivoted, but a Czech official captured the flavor when he recalled a scene in November at the summit meeting of the Conference on Cooperation and Security in Europe.

The three-day meeting in Paris, formalizing German reunification, proved an anti-climactic bore, and leaders found themselves forced to listen to three days of speeches.

President Mikhail S. Gorbachev, however, spent much of the time out of the conference hall, reportedly on the phone dealing with crises in the Soviet Union.

During Mr. Gorbachev's long absences, he left Defense Minister Dmitri T. Yazov as head of the Soviet delegation. As other delegates looked around the room, the Czechoslovak participant, who was there with President Vaclav Havel, recalls: "There was this scowling bear in his shoulder-boards and medals sitting alongside Havel. The contrast was so striking and everybody could see that they were Europeans in a way that somehow he wasn't."

It meant, he said, that "ultimately there was no way the EC was going to say that we had no place with other European countries and deny us membership."

The Soviet difference was on display again last week during a ministerial meeting in Berlin of the conference, which involves all the European countries plus the Soviet Union and the United States. Moscow resisted some peacekeeping initiatives sought by East Europeans fearful of ethnic upheavals.

In relations between Europe's Eastern and Western parts, an official said, it has become a fact of life that "NATO provides the security part of it and the EC is taking over the economic part."

Other recent developments, Western officials say, have spread the mood that enlargement is on the horizon. The EC's own internal overhaul, scheduled for completion this year, will streamline management and reduce the risk that decision-making would be swamped in a larger community.

The unification of Germany appears to have cut both ways, bringing home the difficulties of bringing former Communist countries up to the economic level of Western countries but also making it harder to conceive of refusing the peoples of neighboring East European democracies the same status.

For Western planners, EC membership for East European countries is seen as a crucial element in stabilizing Western Europe itself, reducing the risks of upheavals that might spill over or of massive refugee problems.

Most of these countries have policies of neutrality, which have not completely been discarded with the Soviet retreat from confrontation. The need to accommodate them and East European countries puts added pressure on the EC to stop short of adopting a full-fledged defense role.

Instead, the EC might decide to delegate the execution of military actions to the Western European Union, a nine-nation body with links to the North Atlantic Treaty Organization. Sweden, a diplomat said, has already reached a private understanding with major EC governments that a mechanism along these lines would satisfy Swedish neutrality.

East European governments see EC membership as the bedrock of their security in every dimension. Czechoslovak, Hungarian and Polish leaders have said that their countries expect to join during this decade.

Bonn largely shares these countries' view of their own future and is also comfortable with largely German-speaking industrial countries in the free trade association. London also views enlargement as virtually inevitable and likely to dilute EC political unity.

France, in contrast, fears that enlargement would make it harder for Paris to stamp its initiatives on the EC. But the toughest objections come from poorer EC members — Spain, Portugal, southern Italy, Greece and Ireland — which fear losing aid. They want the trade association countries to pay hefty initiation fees to offset the cost of new members from Eastern Europe.

U.S. Expert Sees Benign Era Dawning in East Asia

Robert A. Scalapino, a leading American expert on East Asia, recently toured nine countries in the region. In Kuala Lumpur, Mr. Scalapino, a professor of government at the University of California at Berkeley, discussed relations among the major powers in Asia with Michael Richardson of the International Herald Tribune.

Q. How is East Asia adjusting to the post-Cold War era?

A. Quite well. Of the major players, only Japan and the Soviet Union remain cool. But even there, a process of reducing tension is under way, although moving quite slowly.

The more important fact is that throughout the area, the possibility of conflict between the big powers — China, Japan, the Soviet Union and the United States — is at an all-time low. That is exemplified by the U.S.-Soviet relationship, which will continue to be good unless there is an abrupt shift in the Soviet Union back toward authoritarian or neototalitarian rule. But that is very unlikely.

Q. Why is China wary of Japanese power?

A. Relations between China and Japan are reasonably good. But there will always be an element of ambivalence. The Chinese respect the accomplishments of Japan and hope to keep it as an economic resource in their modernization. However, they are also concerned about Japan as an East Asian rival. They talk about Japanese militarism a great deal, perhaps as a prophylactic rather than a fear of the moment. But they do worry about Japanese expansionism, economic as well as military.

●

Q. What about China and the United States?

A. Washington's relations with Beijing are still quite fragile in the aftermath of Tiananmen. Alongside human rights, we

MONDAY Q&A

have added new issues such as weapon sales and the trade imbalance.

But in the medium to long term, there are good reasons for the U.S. and China to maintain an amicable relationship. The two nations are not fundamentally opponents. The U.S. is not a military threat to China, although the Communist government may feel threatened politically. I don't think that feeling will last forever because, sooner or later, China will get back to the trend of the 1980s, with politics somewhat more open than now. The economy will be mixed and the free market will play an important role.

Q. Should the United States continue to criticize human rights violations in China even if it sours relations?

A. It is inevitable that open societies like the U.S. will criticize human rights violations in other countries. This is no longer a strictly domestic issue after the Helsinki accords and the global communications and media revolution.

Every nation has its own cultural heritage and perspectives. It would be a mistake to assume that an American pattern of behavior can be imposed on other countries. But human rights is not just an American issue. Europe is also concerned with what is happening in China and elsewhere. To say that you cannot, or should not, raise these issues is not only unrealistic, it does not accord with the values of our times.

The fact is that external pressures have modified human rights policies in China. The real challenge is to internationalize the issue by trying to draw up norms and agreements on human rights that all states agree to respect.

●

Q. You have outlined a relatively benign East Asia. Are U.S.-led alliances, including the security treaty between Japan and the U.S., obsolete?

A. No, but they are becoming alignments, rather than alliances. The old form of alliance was essentially a patron-client relationship in which the U.S., as the dominant power, took on absolute responsibilities in the security realm and often in economic assistance as well. The minor party or parties accepted political allegiance as the payment. That era is rapidly passing.

We are moving toward partnerships in which obligations and responsibilities are more flexible. U.S. economic assistance is no longer a major factor. Much of the economic assistance comes from the other parties to the alliance, such as Japan or South Korea, which have strong economies.

This means that there is a great deal more independence of action in the partnerships.

Q. Where will the Soviet Union fit into this new Asia, where economic growth is a prime determinant of power and influence?

A. The Soviet Union faces a long and hard struggle to become a genuine economic factor in Pacific Asia. The problems of developing the Soviet Far East are formidable.

However, the Soviet Union is still a major military power, and a substantial portion of that power is in Northeast Asia and the North Pacific. It remains important for almost every crisis zone within the region, such as the Korean Peninsula and Cambodia.

The hope must be that Moscow will continue to play a constructive role in settling these conflicts because it does not gain anything from heightened tensions. It gains economically and politically from reducing them, as it has with China.

3 EC States Back U.K. Stance on Union Pact

By Charles Goldsmith
International Herald Tribune

LUXEMBOURG — Foreign ministers from several European Community countries objected Sunday to elements of a draft treaty on political union, easing Britain's isolation before the EC summit meeting that begins here Friday.

The ministers agreed unanimously that the Community's summit meeting in the Netherlands in December should conclude work on the two intergovernmental conferences, on political union and monetary union. There was also consensus that the session in Luxembourg on Friday and Saturday should take stock of progress rather than reach momentous conclusions.

"The presidency doesn't expect a vote on the totality of the treaty text," said Foreign Minister Jacques Poos of Luxembourg, whose country holds the rotating EC presidency. "I hope the heads of state and government will be able to confirm their political will, which does exist, to confirm the progress which has been made."

Denmark, Ireland and Portugal joined Britain in opposing proposals to grant the popularly elected European Parliament the power of "co-decision" with the Council of Ministers over some Community laws. The council comprises appointed national representatives.

Differences also arose over the structure of the proposed treaty, and whether EC foreign policy decisions could be made by majority voting rather than by unanimity.

Asked if Prime Minister John Major of Britain would be isolated at the meeting this week, as his predecessor, Margaret Thatcher, was at the talks in Rome in October, Foreign Minister Gianni De Michelis of Italy said, "I don't think so and I hope not."

In Rome, Mrs. Thatcher stood alone in rejecting a 1994 date for the next stage of EC monetary union. She was forced from office three weeks later.

The tone of the meeting Sunday contrasted sharply with the gathering of EC foreign ministers last Monday, when Mr. Poos and the president of the EC Commission, Jacques Delors, brushed aside Britain's opposition to the word "federal" in the draft treaty.

"We want the term in the treaty but it is necessary to avoid theological debates on words," said Elisabeth Guigou, the French minister for European affairs.

Noting that the word has different meanings in various member states, Mr. De Michelis said, "I would like to exclude a philosophical discussion of the word 'federal.'"

Diplomats said that several foreign ministers disagreed with a suggestion that Britain stood alone on the issues of co-decision and a common EC foreign and security policy.

"The Irish, the Danes and the Portuguese said this is not the case," one EC diplomat said.

"We feel the current proposal on co-decision gives the European Parliament too much power over EC laws," an Irish diplomat said, "and it downgrades the power of the commission. We have always felt the commission safeguards the power of the smaller states."

There has been intense and often highly theoretical debate on whether the EC treaty should be based on several parallel "pillars" for different areas of Community jurisdiction, or instead should resemble a single "tree" with many branches. The discussion, which is filled with colorful references to "temples" and "sanctuaries" under the pillar approach, was described by one diplomat as still very "wobbly."

Prime Minister Jacques Santer of Luxembourg planned to send a letter to other EC leaders on Monday, outlining the probable summit agenda.

Jeff Widener/The Associated Press

Residents of Olangapo, Philippines, adjacent to the Subic Bay Naval Base, making their way among piles of volcano ash produced by eruptions of Mount Pinatubo.

Volcano Devastates Philippine Cropland

By Philip Shenon
New York Times Service

SAN MATIAS, Philippines — The rice crop is dead, buried beneath a foot of volcanic ash and rock, and the farmers who struggle here in the shadow of Mount Pinatubo are wondering if their soil will ever be fertile again.

Felix Manalac, 62, a farmer who has tended rice fields here for a third of his life, kicked at a small mound of the gray-black ash that destroyed the summer harvest.

"We will try to remove the ash and replant," he said, pushing back his pointed straw hat. "We must try."

The destruction unleashed during nearly two weeks of eruptions by Mount Pinatubo has left farmers startled that nature could devastate their homes and their once-lush fields so suddenly.

Mount Pinatubo spewed ash and debris from 10 new eruptions Sunday, and the government warned that six towns near the volcano risked being buried under mudslides. A day before, the mountain spewed a column of ash 4,500 meters (15,000 feet) high, a small eruption by recent standards.

San Matias is about 30 kilometers (20 miles) southeast of Mount Pinatubo and, because of a combination of wind currents and rain, suffered more serious damage from the ash than did cities and villages closer to the mountain.

The ash, damp from a series of tropical storms, had the consistency of chalk, and it clung to trees and automobiles, as well as to the water buffaloes scavenging for food among the ash.

Several of the thin, corrugated-metal roofs of the village's houses had collapsed under the ash.

"So much ash and sand — everywhere, everywhere" said Antonio Lalu, a truck driver. "I worked in Saudi Arabia for four years and never saw a sand storm this violent."

He said it appeared that the ash would make the cropland unsuitable for farming for years, if not forever, and that many of his neighbors and friends would be forced to establish new lives elsewhere.

■ Manila Firm on Terms

The government said Sunday that it would not adjust terms for allowing U.S. troops to remain in the country to take account of volcano damage to two U.S. bases. Reuters reported from Clark Air Base in the Philippines.

Foreign Secretary Raul Manglapus acknowledged during a tour of Clark, the headquarters of the U.S. 13th Air Force, that damage was extensive, but said that devastation in surrounding towns and villages was worse.

The U.S. lease on Clark and the Subic Bay Naval Base expires in September. Before Mount Pinatubo erupted Washington and Manila were nearing the conclusion of negotiations on a new treaty.

"Our position in the talks has not changed," Mr. Manglapus said.

The death toll from the eruptions rose to 317 as eight more bodies were found beneath rubble in the province of Zambales, and three people were killed when a local market collapsed near Clark.

The United States, maintaining its week-long evacuation of Americans, said a total of 13,576 had left the country from Cebu.

KGB: *Intelligence Chief Emerges as Gorbachev's Rival*

(Continued from page 1)

with ties to the KGB, played an audio tape of Mr. Kryuchkov's speech to a closed session of the legislature — in which he also said that Western intelligence services were working on plans for the "pacification and even occupation" of the Soviet Union under the "pretext" of controlling Moscow's nuclear capability.

"It's not important how we obtained the tape," Mr. Nevzorov said. But it is unlikely that he got the tape without the sanction of the KGB. Mr. Nevzorov was recently quoted as calling the KGB "a great bunch of guys."

Although he professes support of Mr. Gorbachev in public, Mr. Kryuchkov made it plain to the legislators that he thought the new version of economic change and the rise of a market was little more than capitulation to the West and its intelligence agencies. He said the United States was setting down strict conditions, "if not ultimatums, exchange for vague promises of a favorable attitude toward economic aid."

The West, Mr. Kryuchkov said, insists on intolerable cuts in the defense budget and "reforms, not as they are envisioned by us, but as thought up across the ocean."

Mr. Kryuchkov claimed that the KGB had obtained documents from U.S. intelligence describing how Washington planned to infiltrate the Soviet political and economic apparatus with its own agents. Mr. Kryuchkov tried to evoke a picture in the legislators' minds of a CIA intent from the start on destroying the Soviet state under the flimsy guise of offering aid.

Mr. Pavlov, too, has appealed to the anti-Western instinct in so many Soviet hard-liners with seats in the Supreme Soviet. "I would not allow foreigners to command our economy," he said. "We are not beggars."

Pinatubo Blast Ranks Among Most Powerful

WASHINGTON (LAT) — The eruption of Mount Pinatubo in the Philippines may rank among the major volcanic events of recorded history, producing atmospheric effects that linger for months if not years, according to scientists for the National Oceanic and Atmospheric Administration.

Satellites tracking the ash cloud in the stratosphere show that material from the explosions is now spread over more than a million square miles (2.6 million square kilometers), with three distinct "tongues" passing over the African continent toward the Atlantic Ocean.

It appears the Pinatubo event will rank as a very high 5, or perhaps a 6, on the 0-to-8 explosiveness scale used to categorize the power of volcanic eruptions.

In recorded history, there has been no category 8 event and only one category 7 — an eruption in Java in the early 1800s. Sixteen eruptions have been ranked as 6s.

Because it occurred in the tropics, where the high-speed winds of the stratosphere dip closer to the earth, the effects of the Pinatubo eruption are expected to be more far-reaching than they would have been had it occurred at a higher latitude.

WORLD BRIEFS

In Gabon, Exiled Writer Ends Silence

LIBREVILLE, Gabon (AFP) — The Moroccan writer Abdelmajid Diouri, expelled from France last week, on Sunday dismissed reports that he was under house arrest here. "I was not in prison," he said in a television and radio statement, adding that he was in good health.

Mr. Diouri, who had been incommunicado since arriving here Friday, spoke following a meeting with Gabon's president, Omar Bongo. But sources said he was not allowed contact with the outside world.

Mr. Diouri, the author of several books on Moroccan politics, was expelled from France for refusing to halt publication of his latest book, which is highly critical of Morocco's King Hassan II. Human rights groups have protest the expulsion, but Defense Minister Pierre Joxe said Sunday that the expulsion to Gabon was "perfectly legal" and in accordance with a procedure for special cases.

Economist Gets India Cabinet Post

NEW DELHI (AP) — Prime Minister P.V. Narasimha Rao announced his cabinet appointments Sunday, naming a regional leader, Madhavsinh Solanki, as minister of external affairs and a prominent economist, Manmohan Singh, as finance minister. Mr. Rao retained the defense portfolio and assigned the Interior Ministry to S.B. Chavan, an administrator.

Mr. Solanki was chief minister of the western state of Gujarat from 1976 to 1977, and again from 1980 to 1985. He was the federal minister for planning in 1988 and '89 under Prime Minister Rajiv Gandhi.

The appointment of Mr. Singh as finance minister was seen as a move to address a growing economic crisis and to aid in negotiating a loan from the International Monetary Fund.

Turkish Leader Names His Cabinet

ANKARA (Reuters) — Turkey's new prime minister, Mesut Yilmaz, named his government on Sunday, excluding all but one of the supporters of his predecessor, Yildirim Akbulut.

Mr. Yilmaz, 43, a taciturn liberal chosen to revive the drooping electoral prospects of the governing center-right Motherland Party, brought 19 new faces into his cabinet of 29 ministers, according to the semiofficial Anatolian News Agency.

The agency said Mr. Yilmaz had named the former defense minister, Safa Giray, as foreign minister. Barlas Dogu, the sole supporter of Mr. Akbulut in the cabinet, was named defense minister. The former finance minister, Ekrem Pakdemirli, is to take charge of the economy as deputy prime minister and state minister.

U.S. Delays Antarctic Mining Ban

MADRID (Reuters) — The United States said over the weekend that it needed more time to study a pact to ban mining and oil exploration for at least 50 years in the Antarctic, blocking plans to celebrate the Antarctic Treaty's 30th anniversary with a new accord.

Signature of a protocol to provide total protection for the delicate environment of the Antarctic had been set for June 23.

But the chief U.S. negotiator, Curtis Bohlen, said: "My government has decided that this is such an important question that it needs more time to consider the chairman's proposal."

TRAVEL UPDATE

French Air Service Faces Disruptions

PARIS (UPI) — Widespread disruptions in air traffic were expected Monday as a result of a one-day nationwide strike called by four air controller unions seeking higher pay and more personnel.

The domestic airline Air Inter canceled two-thirds of its flights. Air France said that it would maintain its long-haul service but that 75 percent of European and North African flights would be canceled.

The State Department has warned U.S. citizens to avoid the Kashmir valley in India because of recent terrorist activity there, and said they should avoid unnecessary travel to the state of Punjab. *(Reuters)*

This Week's Holidays

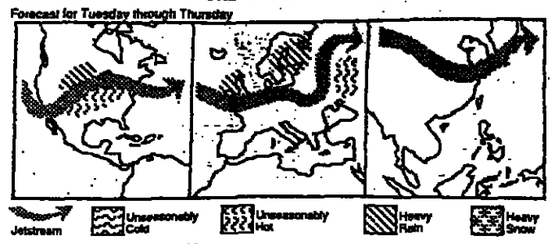
Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Andorra, Argentina, Cyprus, Luxembourg, Peru, Singapore, Venezuela, Zaire.
TUESDAY: Madagascar, Mozambique
WEDNESDAY: Madagascar, Sri Lanka.
THURSDAY: Djibouti.
FRIDAY: Ecuador, El Salvador, Peru.
SATURDAY: Chile, Costa Rica, Malta, Peru, Vatican City, Zaire.
SUNDAY: Sudan.

Source: J.P. Morgan, Reuters.

The Weather

Forecast for Tuesday through Thursday



North America
A heat wave will blister much of the middle of the United States Tuesday through Thursday, and some of that heat will move into the metropolitan Northeast by Thursday, sending temperatures from Boston to Washington, D.C., well into the 90s.

Europe
The British Isles will be rather unsettled Tuesday through Thursday with times of windy, rainy weather. Only a few showers are expected from northern France to Germany, while dry, rather sunny weather will be the rule farther south.

Asia
No unusual weather is expected for the middle part of the week. In a place like Hong Kong or Singapore, normal weather includes a good amount of heat and humidity, but with a possibility of a shower or thundershower at about any time.

Europe

	Today High C/F	Low C/F	Wx	Tomorrow High C/F	Low C/F	Wx
Algarve	28/82	18/65	s	28/83	18/65	pc
Amsterdam	23/73	12/54	pc	23/74	14/57	pc
Athens	35/82	18/65	s	28/83	18/65	s
Barcelona	31/87	19/67	s	27/81	17/62	s
Belgrade	29/84	15/60	s	28/79	17/62	sh
Berlin	22/71	11/52	pc	23/74	13/55	pc
Brussels	23/74	13/55	pc	24/76	14/58	pc
Budapest	23/74	13/55	s	24/76	15/59	pc
Copenhagen	19/66	11/52	sh	21/70	13/55	pc
Costa Del Sol	34/93	19/67	s	34/93	18/65	s
Dublin	21/69	12/54	pc	21/70	13/56	pc
Edinburgh	21/69	10/50	pc	20/68	12/53	pc
Florence	28/82	15/60	s	28/82	17/63	s
Frankfurt	23/74	13/55	pc	24/76	14/58	pc
Geneva	23/74	12/54	pc	25/77	14/58	s
Helsinki	21/69	12/54	sh	22/71	13/56	c
Las Palmas	26/78	18/64	pc	25/77	17/62	pc
Leningrad	21/69	12/53	sh	23/73	13/56	c
Lisbon	28/83	18/64	s	27/80	17/62	pc
London	21/69	11/52	pc	21/70	12/54	s
Madrid	32/90	17/62	s	32/90	17/62	s
Milan	28/82	14/58	s	28/82	17/62	s
Moscow	27/80	14/58	s	28/82	15/60	pc
Munich	21/70	14/58	pc	22/72	15/60	pc
Nice	26/78	15/59	s	30/86	18/65	s
Oslo	20/68	12/54	sh	21/70	13/56	c
Paris	24/75	13/55	s	24/75	14/57	s
Prague	21/69	13/53	pc	23/73	14/58	pc
Reykjavik	14/58	10/50	pc	14/58	11/51	pc
Rome	26/78	15/59	pc	26/78	17/62	s
Stockholm	18/65	13/55	sh	17/63	10/50	c
Strasbourg	22/72	13/55	s	23/74	14/57	pc
Venice	27/80	14/57	s	28/83	18/65	s
Vienna	23/74	12/54	s	21/70	11/52	pc
Warsaw	19/67	11/52	pc	21/70	12/53	pc
Zurich	21/70	12/54	pc	23/74	13/56	s

Middle East

Ankara	27/80	10/50	pc	28/82	11/52	pc
Beirut	32/90	18/65	s	29/84	19/66	pc
Cairo	33/92	20/68	s	31/88	18/65	s
Damascus	32/89	17/63	s	31/88	17/63	s
Istanbul	25/77	14/58	pc	26/79	16/60	pc
Jerusalem	30/86	17/63	s	30/86	17/62	s
Riyadh	44/111	28/82	s	43/109	29/84	s

Oceania

Auckland	12/54	6/42	sh	13/56	8/47	c
Sydney	20/68	14/58	pc	21/69	13/55	pc

Asia

	Today High C/F	Low C/F	Wx	Tomorrow High C/F	Low C/F	Wx
Bangkok	32/90	25/77	pc	31/87	26/79	t
Beijing	30/86	22/72	pc	31/87	22/74	pc
Hong Kong	30/86	24/75	sh	31/87	24/75	pc
Manila	31/88	25/77	t	33/92	24/75	pc
New Delhi	39/102	26/79	pc	39/102	26/79	pc
Seoul	19/66	13/56	sh	19/66	14/57	c
Shanghai	24/75	18/64	c	28/78	18/65	pc
Singapore	31/88	26/78	pc	32/89	26/78	pc
Taipei	32/89	24/75	t	32/89	24/75	pc
Tokyo	24/75	19/67	r	26/79	19/66	sh

Africa

Algiers	28/79	17/63	pc	25/77	16/61	pc
Cape Town	18/64	4/40	pc	17/62	4/40	pc
Casablanca	33/92	18/65	pc	33/92	17/63	pc
Harare	25/77	10/50	pc	25/77	12/53	pc
Lagos	35/95	25/77	pc	33/92	25/77	pc
Nairobi	24/75	15/61	pc	23/73	15/59	pc
Tunis	29/85	23/73	pc	30/86	22/72	pc

Latin America

Buenos Aires	16/60	7/45	pc	17/62	6/43	pc
Caracas	29/84	26/78	pc	29/85	25/77	pc
Lima	20/68	14/58	pc	21/69	14/58	pc
Mexico City	27/80	15/59	t	28/83	14/57	c
Rio de Janeiro	27/80	21/69	pc	26/79	21/69	pc

North America

Anchorage	21/70	9/48	s	16/60	10/50	pc
Atlanta	31/87	20/68	t	31/87	22/71	pc
Boston	22/71	15/59	s	24/76	17/63	s
Chicago	21/69	16/60	pc	32/89	20/68	pc
Denver	33/91	16/60	pc	31/88	14/57	s
Detroit	29/85	14/58	s	31/88	19/66	s
Honolulu	29/85	22/72	pc	29/85	21/69	pc
Houston	34/94	23/73	t	34/93	24/75	t
Los Angeles	22/74	16/60	s	26/78	15/59	pc
Miami	32/90	24/76	pc	32/90	25/77	pc
Minneapolis	28/83	17/63	pc	31/88	21/70	t
Montreal	26/79	12/54	s	26/78	16/61	pc
Nassau	32/90	23/73	pc	33/91	22/74	pc
New York	26/78	17/63	s	27/81	21/69	s
Phoenix	42/108	25/77	s	39/103	23/74	s
San Fran	21/70	11/52	pc	19/66	11/52	pc
Seattle	19/67	12/53	c	21/70	12/53	pc
Toronto	27/80	17/63	s	28/84	16/64	pc
Washington	27/80	17/63	s	29/84	19/67	s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice
All maps, forecasts and data by AccuWeather, Inc ©1991

UNIVERSITY DEGREE
BACHELORS • MASTERS • DOCTORATE
For Work, Life and Academic Experience • No Classroom Attendance Required
(213) 471-8395
FAX (213) 471-6456
Call or write for information or send detailed resumé for Free Evaluation
Pacific Western University
600 N. Sepulveda Blvd., Dept. 23
Los Angeles CA 90049

IN HONG KONG,
PERFECT MEETINGS IN PERFECT SURROUNDINGS.
Parkview Suites. For full details, call Anthea Davies on (852) 812 3888 or by fax on (852) 812 1488.
PARKVIEW SUITES

Gulf Air War's Larger Target

Military Goals Were Met by Disabling Iraqi Society

By Barton Gellman
Washington Post Service

WASHINGTON — The strategic bombing of Iraq, described in wartime briefings as a campaign against Baghdad's offensive military capabilities, now appears to have been broader in its purposes and selection of targets.

Amid mounting evidence of Iraq's ruined infrastructure and the painful consequences for ordinary Iraqis, Pentagon officials more readily acknowledge the severe impact of the 43-day air bombardment on Iraq's economic future and civilian population.

Their explanations these days of the bombing's goals and methods suggest that the allies, relying on traditional concepts of strategic warfare, sought to achieve some of their military objectives by disabling Iraqi society at large.

Though many details remain classified, interviews with those involved in the targeting disclose three main contrasts with the administration's earlier portrayal of a campaign aimed solely at Iraq's armed forces and their lines of supply and command.

- Some targets, especially late in the war, were bombed primarily to create postwar leverage over Iraq, not to influence the course of the conflict itself. Planners now say their intent was to destroy or damage valuable facilities that Baghdad could not repair without foreign assistance.
- Many of the targets in Iraq's Mesopotamian heartland, the list of which grew from about 400 to more than 700 in the course of the war, were chosen only secondarily to contribute to the military defeat of Baghdad's occupation army in Kuwait. Military planners hoped the bombing would amplify the economic and psychological impact of international sanctions on Iraqi society, and thereby compel President Saddam Hussein to withdraw Iraqi forces from Kuwait without a ground war. They also hoped to incite Iraqis to rise against their leader.
- Because of these goals, damage to civilian structures and interests, described by briefers during the war as "collateral" and unintended, was sometimes neither. The air force and navy "fraggers" who prepared the daily targeting orders in Riyadh took great care to avoid dropping explosives directly on civilians. But they deliberately did great harm to Iraq's ability to support itself as an industrial society.

Among the justifications offered now, particularly by the air force in recent briefings, is that Iraqi civilians were not blameless for Mr. Hussein's invasion of Kuwait.

"The definition of innocents gets to be a little bit unclear," said a senior air force officer, noting that many Iraqis supported the invasion of Kuwait. "They do live there, and ultimately the people have some control over what goes on in their country."

For the air force, the Gulf war finally demonstrated what proponents of air power had argued since General Billy Mitchell published *"Winged Defense"* in 1925: that airplanes could defeat an enemy by soaring over his defensive perimeter and striking directly at his economic and military core.

For critics, this was the war that showed why the indirect effects of bombing must be planned as carefully as the direct ones. The bombardment may have been precise, they argue, but the results have been felt throughout Iraqi society, and the bombing ultimately may have done as much to harm civilians as soldiers.

Planners say their intent was to destroy or damage valuable facilities that Baghdad could not repair without foreign assistance.

Pentagon officials say that military lawyers were present at planning for the air campaign in Riyadh and emphasize that the bombing followed international conventions of war. Defense Secretary Dick Cheney said recently that every Iraqi target was "perfectly legitimate." He added, "If I had to do it over again, I would do exactly the same thing."

A growing debate on the air campaign is challenging Mr. Cheney's argument on two fronts.

Some critics, including a Harvard public health team and the environmental group Greenpeace, have questioned the morality of the bombing by pointing to its ripple effects on noncombatants.

The Harvard team, for example, reported last month that the lack of electricity, fuel and vital transportation links in Iraq has led to acute malnutrition and "epidemic" levels of cholera and typhoid.

In an estimate not substantively disputed by the Pentagon, the team projected that "at least 170,000 children under five years of age will die in the coming year from the delayed effects" of the bombing.

Military officials assert that allied aircraft passed up legitimate targets when the costs to Iraqi civilians or their society would be too high, declining for instance to strike an Iraqi MiG-21 parked outside an ancient mosque.

Using the same rationale, the critics argue that the allies should not have bombed electrical plants that powered hospitals and water treatment plants.

One of the authors of a Greenpeace report on the damage, William M. Arkin, said: "This war challenges us to ask ourselves whether or not the lethality of conventional weapons in modern, urban, integrated societies" is not such that "what is 'legitimate' is inhumane."

A second line of criticism, put forth by some outside analysts of air power and prevalent in off-the-record interviews with army officers, questions the relevance of some forms of strategic bombing to a campaign in which the enemy will not have time to regenerate military strength.

The historians Robert A. Pape Jr. and Caroline Ciemke, noting that the U.S. Central Command planned for only 30 days of bombing, say the vital targets were existing stocks of supplies and the system of distribution.

"If you're refighting World War I or II, where literally years of combat are required to defeat your adversary, then destroying industrial infrastructure makes some sense," Mr. Pape said.

"When you destroy the industrial infrastructure, the effects on the opponent's military power don't show up for quite a while. What shows up immediately is losses to the civilian sector, because that's what states sacrifice first."

Now, nearly four months after the war's end, Iraq's electrical generation has reached only 20 to 25 percent of its prewar capacity of about 9,000 megawatts. Pentagon analysts calculate that the country has roughly the generating capacity it had in 1920.

"The reason you take out electricity is because modern societies depend on it so heavily and therefore modern militaries depend on it so heavily," said an officer involved in planning the air campaign. "It's a leveraged target set."

The "leverage" of electricity, from a military point of view, is that it is both indispensable and impossible to stockpile. Attacks on some electrical facilities, officers said, reinforced other strategic goals such as weakening air defenses and communications between Baghdad and its field army.

But two weeks into the air campaign, General H. Norman Schwarzkopf, who commanded allied forces during the war, said, "We never had any intention of destroying 100 percent of all the Iraqi electrical power." Such a course, he said, would cause civilians to "suffer unduly."

Pentagon officials declined two written requests for a review of the 28 electrical targets and explanations of their military relevance.

"People say, 'You didn't recognize that it was going to have an effect on water or sewage,'" said the planning officer. "Well, what were we trying to do with sanctions — help out the Iraqi people? No. What we were doing with the attacks on infrastructure was to accelerate the effect of the sanctions."

Colonel John A. Warden 3d, deputy director of strategy, doctrine and plans for the air force, acknowledged that one purpose of destroying Iraq's electrical grid was that "you have imposed a long-term problem on the leadership that it has to deal with sometime."

"Saddam Hussein cannot restore his own electricity," he said. "He needs help. If there are political objectives that the UN coalition has, it can say, 'Saddam, when you agree to do these things, we will allow people to come in and fix your electricity.'"

Said another air force planner: "We wanted to let people know, 'Get rid of this guy and we'll be more than happy to assist in rebuilding. We're not going to tolerate Saddam Hussein or his regime. Fix that, and we'll fix your electricity.'"

Lieutenant General Charles A. Horner, who had overall command of the air campaign, said in an interview that a "side benefit" was the psychological effect on ordinary Iraqi citizens of having their lights go out.

Attacks on Iraqi oil facilities resulted in a similar combination of military and civilian effects.

Air force sources said the allies dropped about 1,200 tons of explosives in 518 sorties against 28 oil targets. The intent, they said, was "the complete cessation of refining" without damaging most crude oil production.

Colonel Warden said the lack of refined petroleum deprived Iraq's military of nearly "all motive power" by the end of the war. He acknowledged it had identical effects on civilian society.

General Horner said the bombing's restraint was evidenced by the decision not to destroy crude oil production, "the fundamental strength of that society." Even so, he said, the impact of the war on Iraqi civilians was "terrifying and certainly saddening."

"To say it's the fault of the United States for fighting and winning a war, that's ludicrous," he said. "War's the problem. It's not how we fought it or didn't fight it. I think war's the disaster."

How Many Died? Still No Answer

By Caryle Murphy
Washington Post Service

BAGHDAD — Nearly four months after the Gulf war ended, uncertainty remains about how many Iraqis died during the fighting and in the brief, bloody internal revolts that followed.

The Iraqi death toll is a question that neither Washington nor Baghdad has seemed eager to answer.

The Pentagon has estimated that 100,000 Iraqi soldiers were killed in the war, but has issued no estimate of Iraqi civilian deaths. A preliminary estimate by Iraqi officials was that 7,000 civilians died during the air campaign. Iraqi opposition groups' estimates of fatalities during the month-long fighting between Shiite Muslim rebels and government forces in southern Iraq after the war ranged from 30,000 to 100,000. Thousands more died in the suppression of a Kurdish revolt in northern Iraq.

Although there are few statistics and fewer facts to go on, some foreign observers here and Iraqi specialists abroad have come to some initial, tentative conclusions about the death toll:

- The revolts by Shiite Muslims in the south and by Kurds in the north may have resulted in more military and civilian deaths than the allied air and ground war against Iraqi forces, these sources suggest. And most agree that the largest number of casualties were in the south, where fighting between Iraqi troops and the rebels was bloodiest.
- There are suspicions that Iraqi military deaths in Operation Desert Storm were much lower than the U.S. estimate of 100,000. These suspicions rest on several factors.

First, the number of identified Iraqi bodies buried on the battlefield, according to lists presented to the Iraqi government by U.S. and British military officials, contained only 458 names. And a second list of burial sites in the Kuwaiti and Iraqi deserts that hold unidentified Iraqi remains named only a few locations.

One observer said he took this to mean that either six weeks of air attacks did not kill a large number of Iraqi soldiers, or that the Iraqis — under relentless bombing — were able to transport home thousands of bodies. The exact number of Iraqi war dead, he said, "may turn into an American secret" if indeed very few were killed.

Secondly, although civilian hospitals in Baghdad had been readied to receive an overflow of military casualties from the war, this overflow did not materialize until mid-March, according to one source. This was when Iraqi troops were violently suppressing the Shiite rebellion in the south.

In late March, U.S. military officials announced that American forces had buried 444 Iraqi soldiers at 55 sites on the battlefield. They would not say how many Iraqis were buried by British or Saudi forces, including Saudi "burial teams" operating under U.S. and allied command.

A Pentagon spokesman, Pete Williams, said Friday that the number of Iraqis buried by American forces had risen to 577.

The estimate of 100,000 Iraqi soldiers killed was announced May 22 by the Defense Intelligence Agency. The agency said, however, that the "error factor" in this estimate was 50 percent or higher, meaning that as few as 50,000 or as many as 150,000 may have been slain.

Measuring the death toll's impact on Iraqi society is also difficult, partly because of the constraints Iraqis feel in speaking to foreigners. Accustomed to the secrecy of their government, Iraqi residents of this capital city appear to accept the missing casualty figures as something they can do little about.

Moreover, many Iraqis now seem more preoccupied with a daily battle to survive in the face of rising food prices and shortages as the economic embargo on their country continues to squeeze supplies.

The deaths "certainly affected them very much," said one foreign observer here. "But now they are suffering more from other things. Prices are crazy. I don't know how people can live here."

The first deputy minister at the Ministry of Health, Shawqui Sabri Murqus, said "thousands and thousands" of civilians died in hospitals during the war.

The Associated Press

Kimberley Bergalis, 23, at her home in Fort Pierce, Florida, being comforted by a friend.

'I'm Dying, Guys. Good-Bye.'

Infected by Dentist, AIDS Victim Urges Protective Laws

By Tim Golden
New York Times Service

MIAMI — As Kimberly Bergalis lies dying in her bedroom at home, her radiance stolen by AIDS, she has issued a last, angry demand for laws to stop health-care workers like the dentist who infected her from spreading the disease.

"I have lived to see my hair fall out, my body lose over 40 pounds, blisters on my sides," Miss Bergalis, 23, wrote in a letter that she addressed — but never sent — to a state health investigator. After consulting with Miss Bergalis and her family, her attorneys made the letter public.

"I lived to see white fungus grow all over the inside of my mouth, the back of my throat, my gums and now my lips," she wrote. "Do you know what it looks like? I'd like to tell you. It looks like white fur and it gives you atrocious breath. Isn't that nice?

"Whom do I blame? Do I blame myself? I sure don't. I never used IV drugs, never slept with anyone and never had a blood transfusion.

"I blame Dr. Acer and every single one of you bastards. Anyone who knew Dr. Acer was infected and had full-blown AIDS and stood by not doing a damn thing about it. You are all just as guilty as he was."

Four months after Miss Bergalis graduated from the University of Florida in August 1989, she developed Pneumocystis carinii pneumonia and was found to have AIDS.

Miss Bergalis, who says that she never had sexual relations or otherwise knowingly put herself at risk for AIDS, is especially bitter about the role played by Florida health officials.

She said the state officials did not inform her that her family's former dentist, Dr. David J. Acer, had continued to practice after he was found to have AIDS. She eventually learned that from a television news report in July.

After Dr. Acer died in September, Miss Bergalis emerged as a symbol for people who advocated stronger laws to prevent health-care workers who carried the AIDS virus from treating patients — at least without informing them in advance. Four other former patients of Dr. Acer's have now been found to carry the virus.

In her letter, Miss Bergalis wrote:

"Can you imagine what it's like to realize you're losing weight in your fingers and that your body may be using its muscles to try to survive? Or do you know what it's like to look at yourself in a full-length mirror before you shower — and you only see a skeleton? Do you know what I did? I slid to the floor and I cried. Now I shower with a blanket over the mirror."

In conclusion, she wrote: "Like I said — all is forgiven by me — there's no hard feelings anymore. But I will never forget." And then: "P.S. If laws are not formed to provide protection, then my suffering and death was in vain. I'm dying, guys. Good-bye."

Dr. James Howell, a senior administrator for the state health department in Palm Beach County, who was singled out for criticism in Miss Bergalis's letter, repeated in an interview that although his department had been aware of Dr. Acer's infection, it had no regulatory power to stop him from practicing.

■ Tell Patients, 90% Say

Ninety percent of Americans believe that health-care professionals should be required to tell their patients if they are infected with AIDS, according to a poll, The Associated Press reported.

The poll, taken Thursday for the July 1 issue of Newsweek, found that 65 percent of the 618 adults surveyed by telephone said they would discontinue all treatment if they discovered that their doctor or dentist was infected with the AIDS virus. The poll's margin of sampling error was plus or minus five percentage points.

Army Ruse On Film Stirs Israel

By Joel Brinkley
New York Times Service

JERUSALEM — The film was grainy, the images distant, but the picture was searing nonetheless.

Two Arabs sauntered up a busy alleyway in the West Bank. The man wore a white *khaffiyeh*, his companion a dress and a full Islamic veil.

Casually, they wandered toward two Palestinian men lounging beside an automobile. Suddenly the "woman" leaped on one of the Palestinians, dragged him to the ground while her partner pulled out a gun, whipped off his khaffiyeh and started shouting at their captive in Hebrew. Then they dragged him away.

The surprising thing about the tape was not that the special undercover army unit — two Israeli soldiers disguised as Arabs — had caught another Palestinian suspect. No, to most Israelis the shock was to see this startling documentary about the military's most secret soldiers aired on Israeli television Friday night — with the army's full approval.

The government and much of the public exploded in outrage today, saying the army, and Israeli television, had betrayed the nation.

Rafael Eitan, the former army chief of staff who is now agriculture minister, said he "could not understand the stupidity behind the decision."

Shimon Peres, the Labor Party leader, said he was "astonished by the report." And all day long, Israel television was flooded with calls from angry citizens who screamed at operators about public betrayal.

But the army explained that the purpose of publicizing the unit's activities was simply to scare the Arabs.

"This was a good and important message to the Arab population in the territories," Nachman Shai, the chief army spokesman, said Sunday. "Now they will be aware of the fact that nothing is secured. No one who they see around can be immediately identified as a friend or an enemy. They don't know. That's exactly what we are trying to create, the atmosphere of knowing very little or even not knowing at all what's going on around them."

The undercover units are not new; they have been in operation for almost three years. But because of military censorship, the Israeli press had never before reported on them.

But as the Israeli press noted Sunday, perhaps the most curious aspect about the whole affair was that many foreign news organizations had published stories about the units' undercover activities in years past.

In the past, the army always has denied the reports and, in one case, the government revoked the press credentials of a Reuters correspondent who had published a detailed report of the units' activities.

Explaining the army's earlier denials, a senior officer said simply: "We do what we have to do."

AMERICAN TOPICS

Communication Gap Between the Sexes

"You Just Don't Understand: Women and Men in Conversation," about the sexes talking past each other, is No. 1 on the New York Times paperback best-seller list. Its author, Deborah Tannen, a Georgetown University linguistics professor, says, "There seems to be an instant flash of recognition."

"People say to me, 'You must have been hiding out in my living room.'"

Ms. Tannen, 45, says boys and girls grow up in different worlds, even under the same roof. Girls at play make suggestions; boys give orders. Girls and women talk face to face; boys and men sit at an angle. Men often find a woman's direct gaze flirtatious and a man's direct gaze challenging.

Ms. Tannen says the two questions she hears most frequently are, from men, "Why do women nag?" and from women, "Why won't men ask directions?"

Women nag, she says, because men ignore requests the first time to show their independence. To show this same independence, they resist asking directions.

In cocktail party conversation, men give information while women seek to establish rapport.

At home, men often retreat to the newspaper or television set while women want to talk. For a man, home is where he is free to remain silent. For a woman, home is where she can talk without being judged.

Ms. Tannen's first marriage ended in divorce. Her second husband, Michael Macovski, teaches English at Fordham University. Fortunately, she says, "he's a talker."

Short Takes

With more women working, telephone solicitors are having a harder time finding anybody at home during the day and are calling people on weekends, or even at work, often to the irritation of those at the receiving end.

More people are screening their calls. Research organizations say about 32 million U.S. households have answering machines, an increase of 52 percent since 1988. More than 28 percent of all households had unlisted numbers in 1990, up from 22 percent in 1984. Automatic dialers, of course, get through whether the number is listed or not; California and Florida have outlawed intrastate calls by auto-dialers.

Book publishers call unsolicited material — outlines, sample chapters and entire manuscripts — the slush pile. Some have found best-selling gems in all that slag, like Tom Clancy's "The Hunt for Red October" and Judith Guest's "Ordinary People." Others say it is a waste of time to sift through the stuff. "It's just not economic to look through the slush pile," says Thomas J. McCormack, chairman of St. Martin's Press. But his company spends more than $50,000 a year to read more than 4,000 slush items.

Not everybody eats the same amount, and more restaurants are offering half portions for slightly more than half price, The Washington Post Magazine reports. This is not just for people who aren't very hungry but for those who can't choose between two dishes and decide to have them both.

About People

John H. Sununu, the White House chief of staff, having been criticized for flying on personal errands at taxpayers' expense, has also come under fire recently for riding in a chauffeured White House limousine to a stamp auction in New York. **Jay Leno,** the talk-show host, noted that President **George Bush,** after suffering an irregular heartbeat seven weeks ago, has resumed jogging. "He has to," the comic said. "Sununu took the car."

The fight promoter **Don King,** asked why he felt so strongly about promoting Latin American boxers, replied: "There is a strong bond between us. I am one of them and they are one of me."

Arthur Higbee

Record U.S. Heroin Haul

New York Times Service

NEW YORK — Federal agents in San Francisco have announced the biggest seizure of heroin in U.S. history.

U.S. Customs agents discovered the record shipment of heroin, nearly 1,200 pounds (540 kilograms) from Burma and Thailand, hidden in a cargo container late last month. But they kept the discovery secret until Friday when they arrested four Asians suspected of involvement in the smuggling.

The previous record for a single shipment was 820 pounds found by agents in New York City in 1989 packed in rubber lawn mower wheels in dozens of boxes inside a maritime cargo container.

This summer, an end to the myth that a luxurious hotel is an extravagance.

Enjoy North America this summer from only $109* per couple!

There has never been a better time to travel on business or pleasure. Now through September 8, 1991, you can enjoy nine of North America's most spectacular destinations along with Inter-Continental Hotels' elegant accommodation, exquisite restaurants and impeccable service. We call it our Summer Spectacular. And so will you because it offers you more for less. *Every day of the week!*

- Luxurious guest room for two
- Full American Breakfast for two daily
- Complimentary welcome gift
- Daily English language newspaper
- Welcome City Pack with maps, tour guide and more
- *All taxes and service charges included*

CHICAGO, ILLINOIS Forum Hotel Chicago $109 Hotel Inter-Continental Chicago $159	MONTREAL, CANADA Hotel Inter-Continental Montreal $179 (CAN)	SAN FRANCISCO, CALIFORNIA The Mark Hopkins Inter-Continental $189
MAUI, HAWAII Maui Inter-Continental Resort $189	NEW ORLEANS, LOUISIANA Hotel Inter-Continental New Orleans $119	TORONTO, CANADA Hotel Inter-Continental Toronto $179 (CAN)
MIAMI, FLORIDA Hotel Inter-Continental Miami $129	NEW YORK, NEW YORK Hotel Inter-Continental New York $199	WASHINGTON, DC The Willard Inter-Continental $199

For reservations, contact your travel agent. Or call in France 05 90 85 55, in Germany 0130 3955, in Italy 1678 72070, in Spain 900 99 4420, in U.K. 0345 581444.

INTER·CONTINENTAL HOTELS

Summer Spectacular

Summer Spectacular rates are also available at Inter-Continental Hotels in Latin America and Pacific/Asia.

**Per couple, per night. Single or double occupancy. Based on availability and advance reservations. A child under the age of 14 when occupying same room as parents, stays for free.*

Kurds Differ on Status of Pact

The Associated Press

SARDAW, Iraq — The Kurdish leader Massoud Barzani said Sunday that he had reached agreement with Baghdad on a pact to bring elections to the northern Kurdish region in three months and to Iraq as a whole in six months to a year.

But Jalal Talabani, leader of Iraq's second-largest Kurdish group, after Mr. Barzani's, said no such autonomy agreement had been struck. It was unclear whether the conflicting statements meant that the Kurdish leaders disagreed with each other or with Baghdad.

Mr. Barzani said that the agreement would also divide up revenues from the important oil-producing city of Kirkuk, long claimed by the Kurds but now occupied by Iraqi troops who crushed a Kurdish uprising after the Gulf war.

"As far as I'm concerned, the agreement is completed," Mr. Barzani said in an interview at his headquarters, about 370 kilometers (230 miles) northeast of Baghdad.

But Mr. Talabani said Sunday in an interview in the town of Zakho, "I don't think there is any agreement." He refused to comment further.

■ Plan for Standby Force

Eric Schmitt of The New York Times reported earlier from Washington:

The United States and its European allies plan to leave a 5,000-member contingency force in southeastern Turkey to protect the Kurds once coalition forces withdraw from northern Iraq, European diplomats and administration officials said.

British and French officials have pressed the Bush administration to contribute forces to a multinational brigade that could quickly respond to any possible retribution against Kurds by Mr. Hussein.

About 6,300 allied troops, including 1,975 Americans, remain in northern Iraq, but the last of these troops are expected to leave in mid-July, a Pentagon official said.

Under the proposed plan, which is being developed by the U.S. European Command in Stuttgart, in conjunction with British, French, Turkish and other allies, ground forces would be based in Silopi, Turkey, near the Iraqi border. Italian and Spanish forces might also take part, U.S. officials said.

Isaac Wolfson, Philanthropist, Dies

By Eric Pace
New York Times Service

Sir Isaac Wolfson, 93, a British business leader and philanthropist, died on Thursday at his house in Rehovot, Israel, his main residence in recent years. He had been a long-time resident of London.

He died in his sleep, family members said.

Sir Isaac, the Glasgow-born son of a cabinetmaker who had fled Russia, was praised by a British prime minister, Harold Macmillan, for his "princely generosity" as a philanthropist. He was made a baronet in 1962.

A short muscular man, he once observed in his Glasgow accent: "I am no legend or anything like that. I worked with all my fingers. That's my secret."

He built his chief company, Great Universal Stores, into what was said to be the largest mail-order concern in Europe.

In the 1960s, it also operated about 2,200 stores in Britain dealing in men's, women's and children's clothing and numerous other items — many of which it manufactured itself.

Sir Isaac also was one of Britain's largest charitable donors. In 1955 he set up the Wolfson Foundation, with its chief goals of furthering activities for young people and health education in the Commonwealth.

Malcolm Frager, 56, Classical Pianist

NEW YORK (NYT) — Malcolm Frager, 56, an American pianist whose music-making and lifestyle steered a career path somewhat outside the ordinary in the music world, died Thursday at the Berkshire Medical Center in Pittsfield, Massachusetts. Mr. Frager's family declined to give the cause of death, but he was reported to have been ill for about a year.

Mr. Frager deliberately stayed away from a large body of contemporary music. He recorded less frequently than others, and was known mainly for his deep interest in Beethoven and Mozart and as a champion of the two Weber Piano Concertos.

He also was a student of old musical manuscripts and a forager for them. Schumann and Tchaikovsky were two of his favorites, and he was also instrumental in the retrieval of a huge body of Mozart and Beethoven manuscripts that were removed from Germany during World War II and stored in Krakow, Poland.

■ *Other Deaths:*

Archbishop Julijonas Steponavicius of Lithuania, 79, who was arrested by Soviet authorities in 1961 and sent into internal exile for 27 years, Tuesday in the Lithuanian capital of Vilnius.

Antonio Jacinto, 67, poet, writer and cofounder of Angola's ruling People's Movement for the Liberation of Angola, or MPLA, in Lisbon on Sunday.

De Klerk Son Sets Wedding

Reuters

JOHANNESBURG — The son of President Frederik W. de Klerk of South Africa and his mixed-race girlfriend, Erica Adams, have set the date for their marriage, South African newspapers reported Sunday.

Mr. de Klerk's office said in a statement that the president was "surprised" by reports in several newspapers that Willem de Klerk and Miss Adams would be married at a traditional ceremony in Cape Town in December.

"My wife and I were not at all informed about these facts," he said, according to the statement. "We are surprised because we are in regular contact with our son."

Tom Stoddart/Reuters

Albanians cheering Secretary of State James Baker during his speech in Tirana's main square.

Baker to Tirana: 'Freedom Works'

New York Times Service

TIRANA, Albania — An estimated 300,000 Albanians chanting, "U.S.A.! U.S.A.!" jammed into the main square of Tirana to hear Secretary of State James A. Baker 3d tell them that "freedom works" and to urge them to move forward toward democracy.

It was the first visit ever of a senior U.S. official to Albania, which in March became the last country in Eastern Europe to begin instituting democratic change. The Albanians, who for four decades were virtually isolated from the outside world, swarmed over Mr. Baker's motorcade.

A sea of Albanians greeted him as he drove into town for his one-day visit Saturday. Hands reached out from every direction to touch him or to pound on the windows of his car. People kissed the hood and windows, they showered the car with flower petals, and one man threw himself in front of the limousine and kissed the road — anything to make a link with the representative of the United States.

Through a translator, Mr. Baker told the Albanians: "On behalf of President Bush and the American people, I come here today to say to you: Freedom works. At last, you are free to think your own thoughts. At last, you are free to speak your own mind. At last, you are free to choose your own leaders. Albanians have chosen to join the company of free men and women everywhere."

The normally reserved secretary of state just shook his head afterward and said of the crowds, "I have been in politics now for 14 years, and I don't ever remember seeing something like that."

He brought a token aid package, consisting of $6 million in powdered milk, medical equipment and medicine. It is the first U.S. aid Albania has ever received.

CRESSON: *An Apolitical Spouse*

(Continued from page 1)

foreign trade has long been his field.

ACECO, founded in 1977 by then-Prime Minister Raymond Barre, is a private agency that handles countertrade — notably barter and debt equity swaps — between richer and poorer trading partners, with special emphasis these days in Eastern Europe. Cresson would rather talk about ACECO than about his private life.

Edith Cresson, 10 years younger and a good deal more outspoken than her husband, has been called a Japan-basher for her vivid criticisms of Japanese protectionism. As an expert in foreign trade with long connections with the French automotive industry, Mr. Cresson defends his wife's views, which he says have unjustly been called Nippophobic.

"When you negotiate with someone you don't say at the start what you intend to give or not give. In negotiating there is always a give and take and the Japanese would have no respect for someone who gives and takes nothing in return. The Japanese are the top protectionists in the automotive industry. They have to be treated as they should be, without giving in to them completely. They are good at what they do but business is business."

He also thinks there has been too much heat over his wife's alleged four-year-old comment on the virility of British men. "When the English call us frog-eaters we don't take offense. There is no sense in dramatizing it, it should be taken with humor. If not, where are we headed?"

As for English women, he says he was charmed by Margaret Thatcher. "Completely charmed. I found her almost warm. Mr. Thatcher is something else." A pause and then a laugh. "I am like him, legally at least. I am the husband, I belong to the club of consorts."

Edith Cresson's first stab at politics was in 1975 when she ran for the post of mayor of Châtellerault in the Vienne department (she was elected in 1983 and still holds the job). Mr. Cresson is deputy mayor of Saint-Sylvain d'Anjou, 120 kilometers (75 miles) from Châtellerault, and has no wish to be mayor. Saint-Sylvain, with a population of 4,000, is a fraction of the size of Châtellerault and is the site of the Cressons' weekend home, bought by Mr. Cresson's father just before World War II because he was certain the Germans would never come that far west.

Weekends, Mr. Cresson goes to Saint-Sylvain and his wife goes to Châtellerault, joining him when her official duties end. One recent weekend, the prime minister gave the closing speech at the Paris air show on Saturday and on Sunday attended the commemoration of the 75th anniversary of the battle of Verdun. Jacques Cresson went to Saint-Sylvain.

"I don't get involved in those public meetings, it's not my role. I have my activities as a pensioner, she has hers as prime minister." In Paris, Mr. Cresson has business luncheons but they rarely dine out since the prime minister gets home late and they like to have some time alone.

"Not to stop, always to be on public view, is wearing. That's why we have evenings when we watch TV like an elderly couple. When you are under pressure all the time you have to have some private space. A Sunday, a Saturday and Sunday is better still. Not to stop over the weekend is exhausting, it worries me but I don't know what to do about it."

Mr. Cresson feels protective but says his wife withstands pressure. "It's been 10 years since she was named minister of agriculture, which was a real baptism by fire. She was physically attacked by farmers and not even because of her policies because she had just been named to the post. One cannot say she is armored because one never is, but after that one has a certain resistance and a way of taking a distance that one might not otherwise have."

In 1981, farmers also cut down a palm tree on the Cresson property (the Gulf Stream warms that part of the Loire). Last year they cut down some conifers with a chain saw. Presumably there are enough trees left to last out the prime ministership.

"Happily yes," Mr. Cresson says.

Mrs. Cresson always wears a necklace that spells out Edith — a key chain actually, mounted as a necklace — that her husband bought her years ago. "It's the second one, she lost the first," he says. President François Mitterrand has called her his little soldier — in military terms she would probably be the point man, her husband thinks, and the prime minister has herself said that the prime minister's job is to absorb blows aimed at the president.

What then is the prime minister's husband's job? "He is there to make the blows bearable," Jacques Cresson said.

YUGOSLAVIA: *Tensions as Secession Nears for Croatia and Slovenia*

(Continued from page 1)

civilization. It was a millennium of Rome vs. Byzantium.

Croats and the Serbs harbor memories of a golden age that in fact hardly ever existed. Passionate national identities were forged in spite of — or rather because of — occupiers who stayed on for hundreds of years.

Croats are Roman Catholic and their alphabet is Roman. Their kingdom flourished in the 11th century, but they spent the next 800 years under the thumb of the Austrian Empire. Serbs are Eastern Orthodox and their alphabet is Cyrillic. Their kingdom flourished in the 14th century, but they spent more than 400 years under the Ottoman Turks.

Fred Singleton, the late British scholar, said there was a tragic relevance for Yugoslavia in the cynic's definition of a Balkan nation as "a group of people united by a common error as to their origins and a common dislike of their neighbors."

The butchery of World War II, however, transformed centuries of common dislike into blood hatred. Of the 1.7 million Yugoslavs killed between 1941 and 1945, an estimated million died in ethnic fighting, much of it Croat against Serb.

Watching television and reading the newspapers, it is almost normal in Yugoslavia to link the adjectives "genocidal" with Croatia and "hegemonic" with Serbia. Against that "normal" backdrop, then, the news out of Yugoslavia is more than a bit unnerving.

To pull ethnic politics down to earth, consider the confused whereabouts of this little village called Kijevo, population 1,500. The residents of Kijevo are Croats. But, unhappily for them, the village sits inside the recently proclaimed Serbian Autonomous Region of Krajina, a strip of land 145 kilometers (90 miles) long and 50 kilometers wide inside Croatia.

This part of Yugoslavia was historically a frontier zone between Austria's Hapsburg Empire and the Ottoman Turks. For more than 300 years — since the Hapsburgs installed them to resist Turkish pressures from the south — militarized Serbs have been part of Croatia, yet separate from it.

During his three and a half decades of rule, Josip Broz, better known as Marshal Tito, smothered Yugoslavia's nationalist conflicts without resolving them. Tito denied this country the postwar healing process that allowed West European countries to come to grips with their past.

"The Communists did not give normal development of human rights or national rights," said Zdravko Mrsic, Croatia's minister for economic restructuring, in Zagreb, the capital. "Titoism was like a drug, like morphine."

In Belgrade, a Serbian journalist, Stojan Cerovic, explained that living under communism "left people without internal controls over their behavior." "The control was imposed by police," he added. "That lack of personal responsibility may be the biggest problem in Yugoslavia."

As Croats and Serbs struggle to explain the looming breakup of their country, an explanatory metaphor that leaps to mind is of ethnic nations — and their leaders — behaving like hormone-crazed adolescents.

Nationalism makes Croats rename streets after obscure historical figures. It makes Serbs repaint Roman-lettered signs in Cyrillic. It makes the governments of Serbia and Croatia import automatic weapons and hand them out to civilians, sparks shoot-outs and inspires bone-chilling exaggeration among political leaders, who freely use the words "civil war."

In fact, as one might expect of adolescents, there has been a good deal more bluff and bluster than fighting. So far this year, despite a steady infusion of automatic weapons and the construction of scores of roadblocks, despite almost nightly gunfire and explosions across much of Krajina, the total of dead is 22.

Of all the countries in post-Communist Eastern Europe, Western analysts say, Yugoslavia is in by far the best position to retool its relatively decentralized economy to the free market. Its foreign debt is under control. It is richer than most countries of Eastern Europe. The average yearly income in Poland is $1,685. Here it is $3,222.

But since democratic elections swept through Yugoslavia's six republics last year, economic change has stalled.

Foreign tourists and foreign investment have been scared away. Unemployment is pushing 20 percent. In both Croatia and Serbia, analysts say the economy is in a free fall, with most state-owned companies unable to pay salaries.

Wildcat strikes in key industries occur every week. In Belgrade, the embassies of Canada and Australia report that inquiries about residence visas — from both Serbs and Croats — are at an all-time high.

■ EC Warns 2 Republics

The 12 European Community nations agreed during a meeting of foreign ministers Sunday not to recognize declarations of independence by Croatia or Slovenia and to freeze contacts with their leaders, Reuters reported from Luxembourg.

KOREA: *The North's Isolation*

(Continued from page 1)

Union and other countries do well in the interests of their people," said Mr. Kim, adding, "If there are countries on the brink of a cliff, they are the United States and Japan."

Some recent shifts in North Korea's diplomatic positions have led to speculation abroad about a new flexibility in foreign, if not domestic, policy. For example, North Korea has made overtures to its erstwhile enemy Japan.

But the country's two top foreign policy officials, Kim Yong Sun, the party secretary, and his governmental counterpart, Kim Yong Nam, the foreign minister, made it clear in interviews that fundamental changes were not afoot.

Perhaps the most dramatic shift was the seemingly sudden decision last month to apply for United Nations membership in tandem with South Korea after decades of opposition to dual membership. Both officials described this as a temporary expedient forced by circumstances — notably the prospect that South Korea otherwise would be seated alone.

The basic policy of seeking a single UN seat for a unified Korea has merely been deferred, not abandoned, the officials said.

U.S. and third-country diplomats quoted Chinese officials as saying that Pyongyang's switch had been precipitated by the visit here early last month of Prime Minister Li Peng. China has long been a major North Korean ally but has been building unofficial economic ties with Seoul.

The prime minister was reported to have notified North Korea that China would not veto South Korea's UN membership, which virtually guarantees Seoul's admission.

North Korea was given credit by these sources for at least facing reality in its shift to claim an equal role.

But Kim Yong Sun had a different version. He denied that Mr. Li's visit was a factor in the UN decision, saying instead that the decision had been made after high-level "consultative meetings" convened by the party first secretary, Kim Jong Il, the son and heir apparent of Kim Il Sung.

The international affairs official confirmed reports abroad that the younger Mr. Kim, who is referred to here as the "Dear Leader," is taking a major foreign-policy role. Kim Yong Sun said that as diplomatic policy chief of the ruling party, he receives "frequent guidance and instructions" from the Dear Leader in person and by phone.

The younger Mr. Kim is a mysterious figure who rarely meets foreigners and does not give interviews, even more mysterious and remote than his father who, contrary to reports in the West of heart trouble, seems in robust health.

Officials said Kim Jong Il, 49, has already taken over much of the day-to-day administration of the government, although his work appears to be principally behind the scenes, out of the limelight, which his father dominates.

This suggests that initially, at least, the reins of state and party control will be passed without much difficulty.

Since its founding, North Korea has pursued a brand of communism that veers away from orthodox Marxism and is based on what it calls *Juche*, generally translated as "self-reliance" and centered on the theories and teachings of Kim Il Sung.

LIVING IN THE U.S.?

NOW PRINTED IN NEW YORK FOR SAME DAY DELIVERY IN KEY CITIES

TO SUBSCRIBE, CALL
1-800-882 2884
(IN NEW YORK, CALL 212-752-3890)

International Herald Tribune.
Published by The New York Times and The Washington Post

INTERNATIONAL RECRUITMENT

unicef
United Nations Children's Fund

The United Nations Children's Fund, with Headquarters in New York and offices throughout the world, seeks qualified candidates for the following positions:

SENIOR INTERNAL AUDITOR, P-5
New York/Regional Office Location

Responsibilities include reviewing financial transactions to determine compliance with established regulations, rules, policies, and procedures; appraising operational efficiency and economical utilization of financial, physical and human resources in programmes and programme activities. Frequent travel will be required outside New York/Regional Office. Advanced university degree in accounting, business administration, economics or equivalent work experience. 10+ years progressive experience in financial, operational and management auditing, preferably in both commercial and non-profit organizations. Knowledge of modern audit and EDP. Fluent English-knowledge of French and Spanish highly desirable.

Please quote reference VN-90-217.

SENIOR PROJECT OFFICER, L-5
New York

Responsible for providing technical and programming support at global, regional and selected country levels for Child Survival (Universal Child Immunization, Acute Respiratory Infection Control, and Control of Diarrhoeal Diseases) programmes. This includes planning, costing, cold chain and logistics development, training, monitoring and evaluation issues. Advanced university degree with specialized training in health planning, management and education, and epidemiology. 10+ years experience at national and international levels in planning, programming, implementation, management and evaluation of health programmes. Experience with immunization and other Child Survival programmes. Knowledge of medical and technical/logistical issues useful. Fluent English-fluent French or Spanish desirable.

Please quote reference VN-91-176.

CHIEF, PRIVATE SECTOR FUNDRAISING, L-5
Greeting Card Operation, New York

Responsible for managing, directing and coordinating the private sector fundraising activities. To increase moral and material support for UNICEF general resources by providing support services, materials and the sharing of experiences and methods with National Committees and Field Offices engaged in private sector fundraising. University degree or equivalent in humanities, social sciences or business administration. Knowledge of direct mail and mass appeal fundraising, including familiarity with latest technologies. 10+ years experience in fundraising or social marketing, with management experience at the international level. Fluent English with working knowledge of French or Spanish.

Please quote reference VN-91-083.

UNICEF, as part of the United Nations common system, offers competitive international salaries, benefits and allowances. Gross emolument in the US $72,500-$77,000 range.

Send detailed resume, in English, quoting appropriate reference number to Mr. Juan Meza, Sr. Recruitment and Staff Development Officer, UNICEF, 3 UN Plaza (H-5F), New York, NY 10017, USA. FAX (212) 326-7536

Qualified women are encouraged to apply. Applications for these positions must be received by 5 July, 1991. Acknowledgement will only be sent to short-listed candidates under serious consideration.

UNICEF is a smoke-free environment.

PERSONAL ASSISTANT

A chairman of a private U.K. investment company seeks applications for the position of personal assistant cum accountant with knowledge of office machines.

Applicant should include CV, photograph and testimonials.

Reply to: Box 627,
International Herald Tribune,
63 Long Acre, London,
WC2E, United Kingdom.

EXECUTIVES AVAILABLE

INTERNATIONAL SALES & MARKETING MANAGER
Belgian National (44) with over 10 years international experience in Europe, Africa and Far East in High Tech Sales, Marketing and Export Consultancy for American and European companies seeks a challenging and responsible position with international company. Strong commercial background, English, Dutch, French, German, Willing to travel and relocate.
Please reply to:
D. 372, I.H.T., 181 ave Charles-de-Gaulle, 92521 Neuilly Cedex - France.

ANPE
L'Agence Nationale Pour l'Emploi
AGENCE SPÉCIALISÉE DES INGÉNIEURS ET CADRES
12, Rue Blanche, 75436 Paris CEDEX 09. Tel. : 42.85.44.40 poste 347

EXPERIENCED IN PUBLIC RELATIONS - F. 31 BA in political science and Russian, bi-cultural French and American - representation and marketing of French and Argerican companies in URSS. Offers her competences and dynamism to promote or develop your business interests.

INT'L MARKETING AND SALES MANAGER, industrial background and proven track records - selling equipment, computer based systems, working with scientifating contractual agreement, willing to travel overseas, available for a term assignment.

BUSINESS MANAGEMENT - 44 - Frenchman fluent English, Spanish economics and accounting graduate 18 years experience finance audit controller in London and Paris seeks responsible position finance intl. trading free to travel rapidly available.

INTERNATIONAL SALES AND MARKETING MANAGER - profit maker with extensive experience in Western East European and African operations - able to manage positively large sales network in industry - looking to join multinational group to develop or launch their business (Section BCO/JV).

A HIGH TECH INDUSTRIAL DESIGNER the difference. Fluent English 12 years experience in high tech products R and D and management of design technology. packaging of projects 5 years of cad will study proposals in Paris and near suburb. (Section BCO/JV)

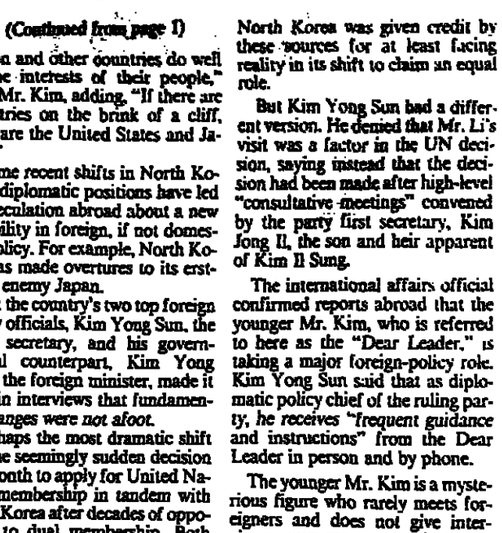
MANAGING SECRETARY 25 - male - perfectly trilingual French, English Italian 5 years exp in public - relations and marketing - good organizer dynamic, versatile creative and efficient seeks responsible position with possibility to advance career and opportunities to work closely with clients - available for working abroad (Section BCO/VJ)

Mature, flexible SWISS LADY
(entirely Americonized)
Experienced Executive Secretary/ Private Secretary
Zurich-based, free to travel, is looking for NEW CHALLENGE in international surroundings, being able to use her languages: English, French, some Spanish, German mother tongue. Also vast travel agent experience.
Box D.373, IHT,
181 Ave. Charles-de-Gaulle,
92521 Neuilly Cedex, France.

YOU SAW THIS AD
So did nearly half a million well-educated, influential and successful readers.
Shouldn't you too place your recruitment ads in the
INTERNATIONAL HERALD TRIBUNE?

Solution to Friday's Puzzle

H	O	P	S		T	R	U	S	T	S		F	A	N
U	N	I	T		H	E	R	M	I	A		I	G	O
H	E	A	R	T	O	F	G	O	L	D		R	A	M
		E	A	U		E	K	E	D			S	P	A
W	I	P	E	R			D	E	S	E	R	T	E	D
A	S	H	T	R	A	Y				R	O	I		
F	L	O		E	G	O	I	S	M		O	N	A	N
T	A	T		D	E	G	R	E	E	S		L	I	E
S	M	O	G		S	I	E	N	N	A		I	K	E
		F	E	W			D	E	F	I	N	E	D	
P	R	I	M	E	V	A	L			A	R	E	N	A
R	O	N		D	E	M	I		O	R	O			
A	S	I		G	R	A	N	D	F	I	N	A	L	E
Y	E	S		E	S	T	E	E	M		E	X	E	S
S	S	H		D	A	I	N	T	Y		D	E	E	P



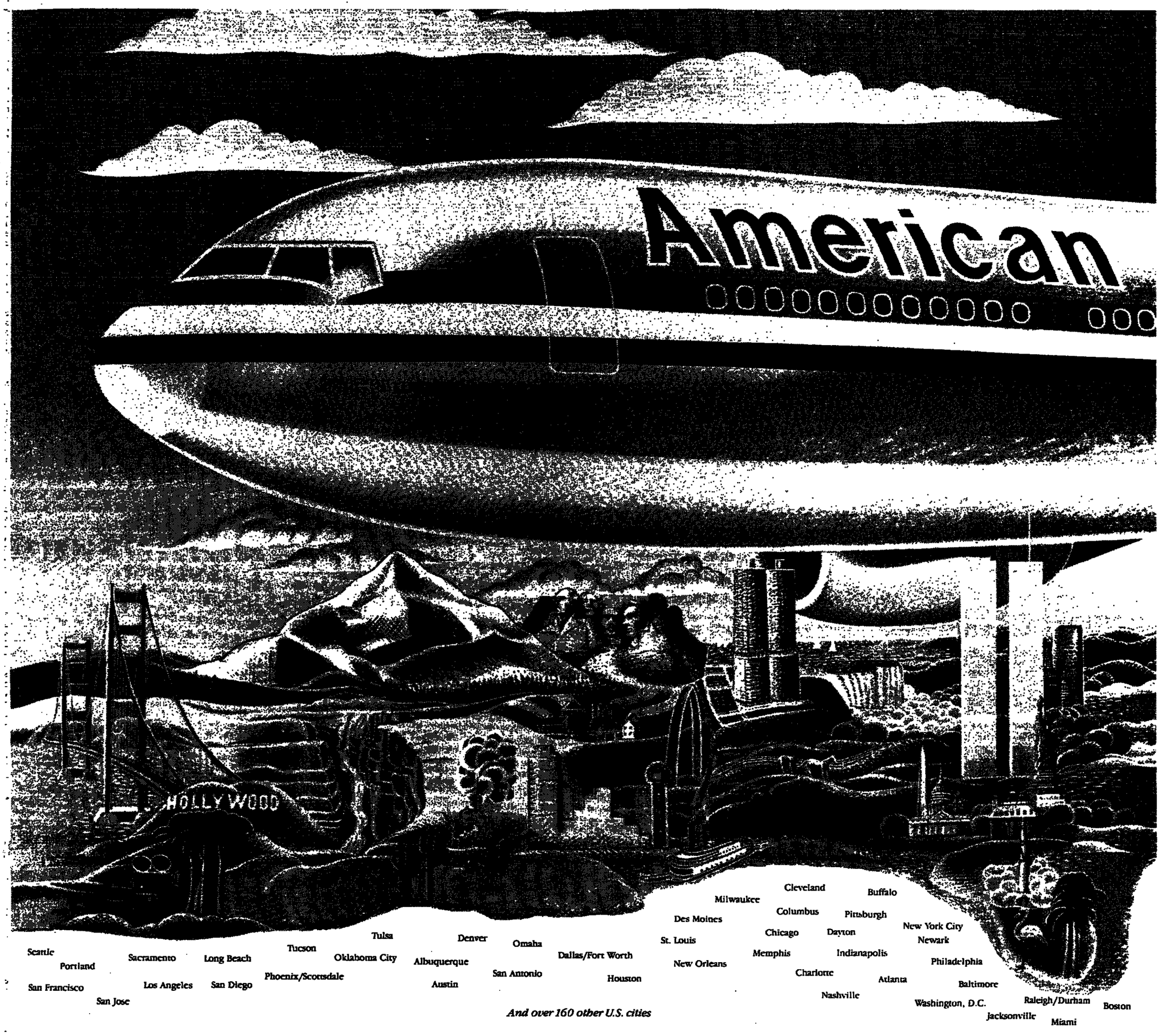
© New York Times, edited by Eugene Maleska.

ACROSS

1 Brass horn
5 Busy terminal
10 Pub drinks
14 Armadillo
15 Gay ---
16 Posted
17 Of lasting value
19 An Asian
20 Lengthwise
21 Demote
23 "—— the ramparts . . ."
24 Calls that delight performers
25 Close friend
27 Islands off Ireland
31 Unit of acceleration
32 Author of "The Morning Watch"
34 Kind of door
36 Corolla parts
40 Doyle's "The Adventure of ——"
43 Keep one's —— the ground
44 Pay attention to
45 Duck, in Düsseldorf
46 Cense, e g
48 Changed the color
50 Actor Ameche
51 Quiets
55 Waistband for Cio-Cio-San
57 Theodolite
58 Oppressive wind
62 Sounded a bell
63 Kind of room
65 Cape fox
66 Of pitch
67 Greg Norman's game
68 Quitclaim
69 Incline
70 Greek letters

DOWN

1 Domesticate
2 "Once —— a midnight . . ." Poe
3 Ammo belt
4 As —— (usually)
5 House or stock preceder
6 Suspend
7 Creative work
8 Aptly named author
9 Smuggler's activity
10 Sextant's predecessor
11 Hungarian composer Franz ——
12 Related maternally
13 Pens
18 Syllabic unit
22 Burn with steam
25 —— de foie gras
26 Turkish official
28 Hwy
29 Bishop lead-in
30 Stark follower
33 Alienated
35 N. Simon product
37 Ratlike animal
38 Word in division
39 Yemen seaport
41 "Dead —— Society," 1989 film
42 Before, to the Bard
47 Paine, Jefferson et al
49 New ——, in Richmond, N Y C
51 Prized violin, for short
52 Remove completely
53 —— du ventre
54 Bar equipment
56 Comic Victor from Denmark
58 Thin cookie
59 Inactive
60 Carbonated drink
61 Switch positions
64 Tres less dos



American to America.

Starting July 2, American Airlines announces more flights to more U.S. cities than any other airline.

Only one airline is big enough to give you all of America. And that's American Airlines, America's largest airline.

Over 200 Non-stop Flights Weekly to America.

Today, you can fly American Airlines to the U.S. from 12 major European cities. Including London, Paris, Frankfurt, Brussels, Madrid, Milan, Stockholm, and Zurich.

And now American is about to expand its International Flagship Service* even further.

Starting July 2, American will introduce expanded service from London's Heathrow and Gatwick airports non-stop daily to New York, Newark, Chicago, Boston, Miami, and Dallas/Fort Worth. Followed July 21 with Los Angeles.

By mid-summer, American will offer more daily non-stop flights from Europe to the U.S. than any other airline.

And American's service doesn't stop at its U.S. gateway cities.

Fly American to Over 250 Cities.

Without changing airlines, you can fly American to over 250 connecting cities in the U.S., Canada, Mexico, the Caribbean, and Central and South America*.

*Some cities served by American Eagle, American's Regional Airline Associate.
**Available on all aircraft, Summer 1991.

No other airline knows the Americas better than American. No other airline offers you more.

American Service Starts from the Ground Up.

Our warm, friendly service and dedicated attention to detail begin the moment you make reservations.

We can reserve your seats up to 11 months in advance. And 30 days before departure, we can issue boarding passes for your round trip – and all your connecting flights on American.

The Tradition of Excellence Continues at 40,000 Feet.

Once on board, in First and Business Class, you can relax in our luxurious leather and sheepskin seats.

Flying First Class, you can also enjoy your own personal video** with a wide choice of films.

Award-winning Food and Wine Service.

In First and Business Class, you have a choice of classic European and American cuisine – including a special dish created in the tradition of your destination.

And American's wine cellar offers precious selections from the House of Rothschild and other premium vintners.

Call for Reservations.

Fly American to America. For reservations, call your Travel Agent or local American Airlines office.

Fly American's New Expanded Service from 12 European Cities to the U.S.

From	To	Service Effective
London	Boston	2 July
	Chicago	Current
	Dallas/Fort Worth	Current
	Los Angeles	21 July
	Miami	Current
	Newark, NJ	2 July
	New York (JFK)	2 July
Manchester	Chicago	Current
	New York (JFK)	2 July
Glasgow	Chicago	Current
Paris	Chicago	Current
	Dallas/Fort Worth	Current
	New York (JFK)	Current
	Raleigh/Durham	Current
Frankfurt	Chicago	Current
	Dallas/Fort Worth	Current
Munich	Chicago	Current*
Düsseldorf**	Chicago	Current*
Brussels	Chicago	Current
	New York (JFK)	Current*
Zurich	Chicago	Current
	New York (JFK)	Current
Madrid	Dallas/Fort Worth	Current
	Miami	Current
Milan	Chicago	Current
Stockholm	Chicago	Current

ALL FLIGHTS ARE DAILY, EXCEPT WHERE NOTED. SCHEDULES SUBJECT TO CHANGE WITHOUT NOTICE. *5 TIMES PER WEEK. **SERVICE OPERATED IN CONJUNCTION WITH LUFTHANSA GERMAN AIRLINES

AmericanAirlines®

Something special in the air.®

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

OPINION

A Good Soviet Blueprint

First there was Abel Aganbegyan. Next, Leonid Abalkin. Then, in quick succession, Nikolai Petrakov, Stanislav Shatalin, and Grigori Yavlinsky. In six years, Mikhail Gorbachev has used, then rejected, one economic adviser after another, making him look fickle. But a closer look reveals a deeper truth. The progression of advisers represents a breathtaking evolution in economic sophistication. In 1987, Mr. Aganbegyan could express little more than a formless recognition that centralized planning had to give way to markets. Last week, Mr. Yavlinsky presented Mr. Gorbachev with a sophisticated plan to turn ossified socialism into a market economy within a few years.

The chronological distance between Mr. Aganbegyan and Mr. Yavlinsky is only four years; the intellectual distance is light years. Mr. Aganbegyan is a visionary, among the first to admit centralized controls could not work. But his understanding of markets is wooden; he has called for price reform but would keep most prices regulated; he has called for free capital markets but would prohibit selling shares. Despite his blind spots, Mr. Aganbegyan was a critical force behind Mr. Gorbachev's decision in 1987 to permit managers to exercise more control over production — an irreversible reform.

Next to push economic reform was Mr. Abalkin, who wrote a comprehensive 1989 plan to move the Soviets to a market system. He called for massive privatization and even laid out a crude transition path. The plan was accepted in principle, then rejected in practice. Professor Herbert Levine, a Soviet expert at the University of Pennsylvania, points out that Mr. Abalkin was among the first to claim markets were a positive force for democratization, rather than a necessary evil.

Next, Mr. Petrakov assumed the role of official adviser to Mr. Gorbachev. He became known as a razor-sharp advocate of markets who had what his predecessors lacked: a feel for how markets work. He could reason through problems of implementation, instead of grabbing boilerplate answers. When Nikolai Ryzhkov, then prime minister, proposed a plan to double food prices, Mr. Petrakov correctly labeled it a conservative backlash to maintain Moscow's stranglehold over the economy: prices had to be freed, not raised.

After Mr. Ryzhkov's price-raising proposal was abandoned, a committee led by Mr. Shatalin was appointed to draw up a package of economic reforms. This 500 Day Plan was stunningly bold and comprehensive. It had all the key ingredients: rapid stabilization of the budget, convertibility of the ruble, price decontrol and privatization. Mr. Gorbachev was committed to it, having sweated over every detail with Mr. Petrakov. But at the last moment, pressured by strong right-wing forces, he withdrew support.

That rejection overshadows an astonishing fact. In only four years, Mr. Gorbachev's advisers had progressed from rambling discourses on markets to a complex plan of unprecedented sophistication. With the economy continuing to deteriorate, Mr. Gorbachev's rejection turns out to have been temporary. He commissioned Mr. Yavlinsky to forge another reform package, with the help of professors at Harvard and Massachusetts Institute of Technology.

The resulting proposal for a "Grand Bargain" draws from the 500 Day proposal, but adds Western assistance linked to realistic Soviet commitments. It is far from clear that Mr. Gorbachev will now back the Yavlinsky plan. But there is reason for the West to take hope. For the Soviets to move to markets they need political will and an economic way. The traverse from Mr. Aganbegyan to Mr. Yavlinsky has given them the way.

— THE NEW YORK TIMES.

Let History Be Freed

Fifty years ago this past Saturday, at a quarter past four in the morning, Germany launched its invasion of Russia. By noon, a thousand Soviet airplanes had been destroyed, and within hours leaders in Moscow were frantically throwing together plans to evacuate factories eastward.

It was not long, moreover, before a particularly ominous theme developed. "Within the first few days," writes the historian Martin Gilbert, "it was clear that it was not only to be a war of armies. When, in the bunkers around the frontier village of Slochy, on the border, a German army unit finally overran the Russian defenders, it then burned down the village and murdered all hundred of its inhabitants."

The human suffering that began on June 22 was on a scale that is inconceivable to most of us. Invading forces carried out massacres of Jews, and sometimes of other inhabitants as well, in town after town, village after village across a broad swath of the Soviet Union. Unfortunately, the scale of the horror was not at all inconceivable to the people of those regions; they had, not too long before, experienced forced migration, starvation and mass executions at the hands of another invader — their own government.

That bitter history is the reason why, a half-century later, anniversaries such as this one are no longer an occasion only for solemn remembrance in the Soviet Union but also for an angry debate that promises to continue for a long time. As the fabric of secrecy covering the Soviet past unravels, people react with shock and anger to revelations concerning Stalin's deliberately inflicted famine in the Ukraine, the mass murder and deportation of peasants, the purges of military officers and government officials that left the country unready for war and the shameful treatment of many veterans after the conflict was over.

Earlier this year, a Soviet military historian, Colonel General Dmitri Volkogonov, completed the first of a planned 10 volumes in a history of World War II being prepared for the country's military leadership. When his fellow generals saw the draft, they were furious: The historian had used his access to closed archives to produce a work that was sharply critical of Soviet actions in the years leading up to the war. General Volkogonov, under fire, resigned as head of the Military History Institute, saying, "I don't want to write a fake history."

A Communist Party official, Valentin Falin, said the archives will no longer be open to General Volkogonov and the scholars working with him. "The documents," he said, "should be used according to the purpose they were intended for." On the contrary, out of respect for those who perished before and after June 22, they should be used — finally, after half a century — to get at the truth.

— THE WASHINGTON POST.

Surrender in Colombia

Colombian officials hail the surrender of Pablo Escobar, the infamous leader of the Medellin drug cartel, as the beginning of a new era of domestic tranquillity. But celebrations are premature. President César Gaviria Trujillo must first persuade the world that the arrest is more than a momentary triumph — and that he and his government are truly serious about fighting drugs.

The hunt for Pablo Escobar began in earnest in 1989 after the assassination of a presidential candidate, Luis Carlos Galán. Colombian authorities pressed a campaign against drug traffickers, destroying their laboratories, seizing their property and arresting those they could find. But top leaders like Pablo Escobar avoided capture.

When Mr. Gaviria took office last year, he announced a new policy. If traffickers agreed to surrender and confess to a crime, Colombia would spare them what they feared the most: extradition to the United States. Instead, Colombia would strengthen its judiciary and prosecute the drug barons at home. A number of traffickers responded, culminating in the Mr. Escobar's surrender this past week.

His decision apparently reflects his fear that the police would kill him on the spot. He also faced additional threats from rival cartels and guerrilla groups he once considered allies. As a result, Mr. Escobar insisted that he be confined to special quarters where the security measures are designed as much to keep assassins out as to keep him in.

Colombia's willingness to negotiate such matters properly raises questions: How effective is the new Colombian judiciary, and can it prosecute Mr. Escobar seriously? Will he be sentenced to more than a token term? Will he be prevented from conducting business from prison? And will the authorities move to strip him of the assets — land, money, airplanes — that sustain his power?

Without reassuring answers, Pablo Escobar's surrender of freedom may end in Mr. Gaviria's surrender of credibility.

— THE NEW YORK TIMES.

Other Comment

Conservatism: A Sea Change

The imperious presence of Margaret Thatcher, no longer Britain's prime minister, will not be the only thing missing when President George Bush and the other Group of Seven leaders assemble in London for July's economic summit. The upbeat economic confidence of the 1980s has vanished. The leaders will focus instead on this year's scary agenda: how to avoid a trade war, a deeper global recession and the possible economic breakdown of the Soviet Union.

But a political threat will also be hanging over the economic summiteers. The great conservative tide of the 1980s is receding — with Mrs. Thatcher among its first losses — and even Mr. Bush and the Republican Party are in more danger than they realize. Because most of the conservative G-7 leaders sitting down to discuss world economic affairs will also be looking over their shoulders at home-front electoral jeopardies, international economic cooperation is not likely to continue.

Just as the 1980s conservative surge nurtured G-7 political togetherness, the growing conservative reversals of the 1990s may push things apart. That is especially true because part of the rising voter unhappiness is about capitalist economics — issues like taxes, deregulation, health services and trade. To no small extent, global conservatism is in trouble because it went too far.

— Kevin Phillips, publisher of the American Political Report, in the Los Angeles Times.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER, *Co-Chairmen*
LEE W. HUEBNER, *Publisher*
JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* •
ROBERT J. DONAHUE, *Editor of the Editorial Pages* • REGINALD DALE, *Economic and Financial Editor*
RENÉ BONDY, *Deputy Publisher* • RICHARD H. MORGAN, *Associate Publisher* •
FRANÇOIS DESMAISONS, *Associate Director* • JUANITA I. CASPARI, *Advertising Sales Director* •
ROBERT FARRÉ, *Circulation Director, Europe*
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.
Directeur de la publication: Richard D. Simmons
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel.472-7768. Tlx RS56928 Mng. Dir. Asia, Rolf D. Krengehil, 50 Gloucester Rd., Hong Kong. Tel. 8610616. Telex: 61170 Mng. Dir. U.K., Garry Thorne, 63 Long Acre, London WC2. Tel. 836-4802. Telex 262009 Gen. Mgr. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069) 726753. Tlx 416721 Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex 427175 S.A. au capital de 1.300.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
© 1991, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

Asia-Pacific: A Bullish Scenario Relies on Partnership

By Lee Kuan Yew

The writer is a former prime minister of Singapore. This article has been adapted from a speech he gave earlier this month at an international monetary conference in Osaka, Japan.

IN A WORLD world irreversibly brought together by technology, we need stronger international institutions to control and regulate relations between nations in peacetime and in crises. There are two main pillars in any world order: collective military security and economic cooperation. It is better to build on what exists than to start afresh.

After World War II, the United States provided the leadership for both security and economic development. The Gulf war, however, has shown that the United States can no longer play that role alone, and that no other nation can. Others have to participate, and pay for, what has to be done. There are two scenarios:

The optimistic one will occur if the Uruguay Round of global trade talks ends with agriculture subsidies resolved, intellectual property rights protected, and inclusion of services under rules which are multilateral and nondiscriminatory. If the world is to be more stable, then all countries, especially the Soviet Union and China should be admitted as members of a stronger General Agreement on Tariffs and Trade. The Soviet Union, China and other countries should also join the International Monetary Fund, the World Bank and the Bank for International Settlements.

Wars between nations can be made less necessary, more preventable and more controllable by the United Nations Security Council. The causes of conflicts can be reduced if there is an economic system which offers all states the opportunity to add value and grow without having to capture territories or extend their spheres of influence.

Societies have always waxed and waned. They move at different speeds in fulfilling their aspirations and needs. Adjustments must be allowed for through trade and investments, rather than through the traditional methods of extending control over land and population. Of course, there are always unavoidable conflicts. Some are endemic, especially in the Middle East, Yugoslavia and between India and Pakistan. But if the broad framework for international order is in place, the UN Security Council can moderate these conflicts.

A pessimistic scenario may materialize if the Soviet Union and communism dissolve, or are so much reduced that the Cold War fear of a common enemy disappears. Without a common threat, I wonder whether America, Europe and Japan could have submerged their economic conflicts and rivalries in the way they have done since 1945.

Suppose the Uruguay Round resumes before the Soviet Union threatens to dissolve into chaos. Suppose also that Europe and Japan do not rise to the challenge of settling agricultural subsidies with the United States. This could produce a Europe which is inward-looking, with a single market from 1992 in association with Eastern Europe, North Africa and maybe parts of the Middle East. Next, the United States expands its Free Trade Agreement with Canada to Mexico and other parts of Latin America. In this case, Japan, East Asia and Australasia will be forced into a bloc. Then the Soviet Union and China will seek a temporary accommodation. While they are both economically weak, each will seek the best in bilateral deals with the United States, Europe and Japan.

The worse-case scenario for the Asia-Pacific is political and military instability. How could it come about? As a result of American leadership that is less self-confident.

The result must be instability and conflicts, because of competition and rivalry between the three blocs over key nonbloc areas such as the Middle East with its oil, or southern Africa with its minerals. It will end up not very different from World War I and World War II.

My assessment is that the actual outcome will be somewhere in between the optimistic and pessimistic scenarios. However, even if the pessimistic outcome occurs, it would still be the end of the 1990s before the Asia-Pacific slides into instability. By then the Newly Industrialized Economies — South Korea, Taiwan, Hong Kong and Singapore — would have become industrial nations while developing countries in the Association of South East Asian Nations — Indonesia, Malaysia, Thailand, the Philippines and Brunei — would have become NIEs. China will probably be half an NIE, and Vietnam, if it settles the Cambodian conflict with China and the United States, one third of an NIE.

There is an expanding web of cross-investments and trade in the Asia-Pacific region. I accept the projections of the Asian Development Bank in Manila and the Nomura Research Institute in Tokyo that in the 1990s Japan's economy will grow at about 4 percent after adjustment for inflation, and the NIEs and ASEAN will range between 6 and 8 percent. For China they forecast 7 percent.

There has been no need for formal intergovernmental agreements or decisions for this growth. It is market driven. Intraregional trade in East Asia is expanding faster than trade across the Pacific. There have been quantum leaps in investment as well as trade. Integration of production will intensify because of complementarity. Japan and the NIEs provide the funds, technology, management, know-how and infrastructure. They are short of labor and land. ASEAN countries and China have the workers, by and large educated, they have land, natural resources and generally enough infrastructure to absorb investments. All three reflect increasing interdependence.

The ideological barriers in East Asia are down. I suspect that before the end of the decade there will be new leaders in China, Vietnam and North Korea who will not carry with them the baggage of communist ideology. It will be a completely different world. The leaders in China will be more pragmatic and pro-market. This can already be seen among the younger leaders, the governors in the provinces and the mayors in the cities. They are in their late-40s and 50s, well-educated and knowledgeable because they have traveled to America, Europe, Japan and the NIEs. They understand what need to be done. They realize that the Chinese people know what has made Hong Kong and Taiwan prosperous.

So we can expect pragmatic economic policies in China. But Chinese leaders will be relentless in their attempts to maintain enough political and social control to ensure that the Communist Party remains in power. The pressure is also on leaders in Vietnam and North Korea to deliver the goods. The transformation of South Korea could be much faster because of South Korea.

The worse-case scenario for the Asia-Pacific is political and military instability. How could it come about? As a result of U.S. leadership that is less self-confident with too many home domestic problems unsolved: the education system, budget and trade deficits, low savings, high borrowings, low investment rates and low productivity. The slowing of the economy may make the United States retrench its military deployments. This could upset the Asia-Pacific balance, leading to instability which will inhibit growth.

However, I think that Americans are too vigorous and dynamic a people to accept a genteel decline, like the British after World War II. I expect them to fight back economically and to remain a major player on the world stage. By nature, I am cautious, if somewhat pessimistic, but on balance, I am bullish for the Asia-Pacific.

International Herald Tribune

The New Mood in Europe Promises More Surprises

By Jim Hoagland

This is the first of two articles.

PRAGUE — A yearlong detour on the road to a new European destiny is coming to an end. The nations of Europe, no longer transfixed by the Gulf War and the turmoil of the Soviet Union's implosion, are resuming their quest for a new identity shaped more by their geography, economies and cultures than the ideologies and military needs of superpower rivalry.

A third historic change, following on the collapse of the Soviet European empire and the unification of Germany, is about to occur in Europe. It involves a new, wider form of European union that will limit the roles the Soviet Union and the United States play on the Continent.

The events of June have tempered the feeling of marginalization that took hold last winter.

Consider this rush of events in the month of June:

- The last Soviet troops withdrew from Hungary and Czechoslovakia.
- Sweden moved away from its traditional neutral stance in European affairs to seek membership in the European Community.
- Poland, rejecting Soviet pressure to sign a new bilateral security treaty, signed a cooperation pact with Germany.
- NATO, the primary instrument of U.S. leadership in Europe, acknowledged the security concerns of the recently freed former Soviet satellites, but disappointed them by stopping short of extending defense guarantees.
- The Bank for International Settlements announced that for the first time since the late 1970s direct investment in the EC nations last year was higher — almost three times so — than it was in the United States.

In Prague, President Vaclav Havel openly clashed with President François Mitterrand over France's grudging acceptance of East European membership in the Community and of a continuing U.S. role in European affairs. The two leaders were the co-hosts at an organizational meeting of a proposed Confederation of Europe, where representatives from the Baltic states of the Soviet Union appealed for Western Europe's help for their independence efforts.

And June still has a week to go.

This listing of events helps explain a sharp shift in mood in Europe, away from the despondency of the winter. Then divisions over the Gulf war, the Soviets' reform-halting turmoil and the pace of European integration made the Community seem a second-rate power beside resurgent America.

The divisions have not gone away and the final shape of the new Europe is far from clear. But the events of June — and the failure of the Bush administration to convert its military victory in the Gulf into clear diplomatic and political advantage — have tempered the feeling of marginalization that took hold last winter.

The flurry of activity in June makes clear that the European Community has become the magnet around which the entire Continent is organizing. Neutrality is being shed as an outmoded concept in a Europe that is no longer divided and dominated by ideology. The Soviet role in Europe has shrunk to insignificance, while the European role in the Soviet Union has become vital for Moscow. And America must assert itself to maintain its deep involvement in European affairs, rather than finding it is involved as a matter of course.

Europe's efforts to define itself are displacing the competing grand schemes that Moscow and Washington had advanced for the European future as they realized that a half century of direct confrontation in the heart of Europe was ending.

"Ideas come first. Politics follow," Mr. Havel told those of us who attended the Confederation of Europe meeting. Mr. Mitterrand had this to say: "Geography must regain its rights, which have been violated too often by ideology and force."

Seen from the United States, the formula for defining the new situation in Europe may look like simple subtraction: 2-1=1. The United States is the remaining superpower and will set the values in global politics and security. That is the unacknowledged spirit behind the "Europe Whole and Free" formula George Bush put forward in 1989 as a counter to Mikhail Gorbachev's "common European house" scheme. U.S. leadership would show the way to freedom and prosperity for everyone west of the Soviet frontier.

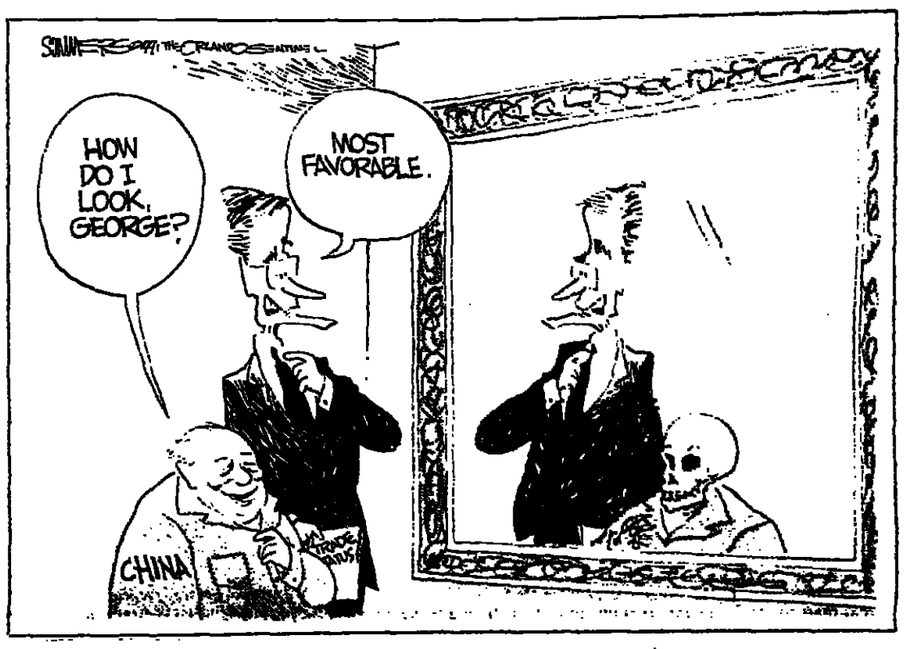
But on the Continent, the Soviet collapse forces a recalculation that must be formulated in terms of complex algebra, not simple subtraction. Part of an equation has disappeared. There is a new vacuum to be filled if the problem is to be solved. European institutions have to fill the vacuum.

The Dec. 31, 1992 deadline for forming a single market is forcing EC member states to redefine their relationships. This in turn triggers moves by the rest of the Continent, the United States, Soviet Union, Japan and all other major international actors to redefine their ties with the Community.

The fate of Gorbachev's common European house concept is a telling measure of the pace and direction of change on the Continent. Only two summers ago, huge German crowds turned out to cheer the Soviet leader as he preached the Soviet New Thinking in foreign policy. He devoted a speech at the European Parliament to this theme a few weeks later.

The Soviets assumed then that Moscow would continue to exercise a softer but continuing dominion over the eastern part of the Continent. Ideally, Mr. Gorbachev must have hoped that he could unite the common European house around the neutralist sentiment of countries like Sweden, Finland and Switzerland and split NATO. But that hope has disappeared as the Soviets have had to retreat from Eastern Europe.

The Washington Post.



Shut Down the Japan-Bashing Business

By Leslie H. Gelb

NEW YORK — If I were a Japanese leader listening to all the anti-Japanese whining and hysteria and double-standarditis in the United States, I might become an America-basher. Americans have turned Japan-bashing into a cottage industry from Congress to the Harvard Business Review, to Detroit to the CIA, to Main Street and to a recent book hawking a future war with Japan.

The Japanese are finally getting frustrated and angry about all this, and may start bashing back. The bashing business (Europeans joining in) could spiral out of control with the most serious consequences, despite the commendable efforts of President George Bush and Prime Minister Toshiki Kaifu.

Without argument, Japan's economy is more protectionist than that of America, and the United States should press hard to change this. That said, the Japanese make two telling points: Americans are not such pure free traders as they pretend: solutions to many U.S. complaints lie not in Japan, but in America.

Look at the Structural Impediments Initiative, the central dialogue between the two countries on removing barriers to trade and investment. America is asking Japan to do some sensible things like combating its anti-competitive business practices. But America also is demanding that the Japanese save less and spend more governmental funds.

The United States is telling them to go on a consumer binge and increase government deficits, or, in effect, to adopt the self-destructive policies of the Reagan administration. Fortunately for them, they are not so dumb; they are plowing extra government dollars into infrastructure and strengthening their economy.

And what is Japan asking America to do? Among other things, to lower its federal deficit, increase its savings rate, improve its public educational system and push its corporations into longer-term business strategies. In sum, Tokyo is urging the United States to take the very steps any American knows it ought to be taking in its own self-interest.

Remember the Voluntary Restraint Agreement on auto sales? The United States cornered the Japanese into limiting their auto exports. They did so, and then also started making more cars in the United States and thereby increased their total auto sales here. Such experiences are part of a pattern: America cuts an agreement with the Japanese. They fulfill it to the letter, but are clever enough to find other ways to gain advantage. America accuses them of violating the spirit of the agreement and then issue a new set of demands.

The American mania about Japan goes well beyond autos, down to some intriguing new machinations by the CIA. A recent CIA-sponsored study by the Rochester Institute of Technology calls Japan "nondemocratic," and "racist" and argues that Tokyo is headed for world dominance unless challenged by the West.

Is the agency searching for a new threat to supplant Moscow? Such Japan-bashing certainly finds resonance among Americans, who feel more menaced by Japan than the Soviet Union — 72 percent to 20 percent, according to one survey.

Now, as the economic balance of power shifts toward Tokyo, U.S. self-righteousness and nastiness toward Japan seem to know no bounds. America's protestations surpass its legitimate grievances. Its complaints suggest a loss of competitive nerve among U.S. businessmen and workers. Japan-bashing, supported by a legion of politicians and consultants, begins to smell like an excuse for not dealing with America's own shortcomings.

The New York Times

From Brilliant Pebbles to Brilliant Eyes

By Edward Teller

STANFORD, California — If Congress manages to dismantle the Strategic Defense Initiative, the effects will be disastrous. In the absence of a deployed space-based defense, attack missiles will continue to proliferate around the world.

The remarkable progress made in SDI is shown by a spinoff from its "Brilliant Pebbles" program that can help mankind solve two major problems in the next five years. One is the prevention of military surprises; the other is the monitoring of pollution.

The key is the use of 1,000 small highly instrumented satellites weighing about 100 pounds each. These satellites would carry computers that could help gather, evaluate, select and transmit data and could instantly make this information available to other satellites and to computers on the ground. This system would be far more sophisticated than present spy satellites.

The satellites would work best in low orbit, not more than about 300 miles off the ground. They could provide weather information, day and night, and predict natural disasters, such as hurricanes, floods and tidal waves. They could provide prompt damage assessments after disasters, such as earthquakes and volcanic eruptions. And they could also instantly report manmade disasters, such as the Chernobyl accident.

Less dramatically, they could watch all kinds of traffic, warning of impending collisions in the air and on the seas, even provide information on highway congestion.

The satellites, which should not be considered a replacement for SDI, would be crucial to strategic defense in several ways. They could, for example, locate mobile targets, such as missile launchers, armed with nuclear warheads. During the Gulf war they would have tracked and identified the location of Scud missile launchers.

The idea for satellite systems that would be used solely for observation was stimulated by Brilliant Pebbles — the proposed deployment of a space-based fleet of small homing rockets that would track and destroy enemy missiles by smashing into them.

The majestic progress in the development of computers has contributed significantly to the potential value of observation satellites. Sixty years ago I did my doctoral research with the help of a noisy machine that made one decision a second. Today computers carry out a billion major arithmetic operations each second. Computers that once filled a room are now the size of a fist.

Today's computers would serve highly advanced observation equipment. In addition to making observations, low-flying satellites can illuminate objects near the Earth's surface by using light from lasers and radar. Lasers are important in measuring the quantity of pollution and locating it.

Radar can provide information on the weather, extending the period during which weather predictions remain valid. It can also detect and help quantify information about manmade modifications of weather, such as the release and consumption of carbon dioxide and the resulting effects, including warming of the atmosphere.

An outlay of $1 billion a year would put this satellite system in place in about five years. A similar annual budget would keep the program in operation, including the upgrading of the equipment.

International acceptance of the satellite-observation program through a treaty as well as cooperation in supplying ground stations, technical improvements and funds, would of course be crucial to realization of the promise of the project.

Worries about the fate of the Strategic Defense Initiative aside, perhaps the age of "open skies" has finally arrived.

The writer is director emeritus of the Lawrence Livermore National Laboratory. He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1891: Bargain Breakfast

PARIS — The *Figaro* describes an unusual wedding breakfast. The mother of the prospective bride observed to the father of the expectant groom: "My daughter is a pearl and well worth 6,000 francs." He replied that he parted with a jewel, and it would be convenient if she deposited a similar sum. She refused, so the engagement was broken off. But the wedding breakfast was gaily disposed of by the groom, his father and their friends.

1916: Alarm on Mexico

LONDON — The Washington Government has requested the British government to take over American interests in Mexico in the event of war, and the State militia has been ordered to the Mexican border. Mexico has sent a notification to South American republics that war is inevitable. The rumor is current that Costa Rica and San Salvador have offered to join with the Mexicans.

1941: Baltic Reports

HELSINKI — [From our New York edition:] While the Russian high command reported that the Red Army had repulsed a series of strong German attacks on the eastern front, reports of actual or impending revolts in Lithuania, Latvia and Estonia, Baltic states which were absorbed by Soviet Russia last summer, were declared by anti-Soviet sources today [June 23] to be threatening Russia on her western frontier. Reports of a revolt in Lithuania and a call for an uprising in Latvia were broadcast to the Baltic area by the Lithuanian and the German radio. Latvia is under Soviet martial law, according to a radio announcement from Riga, its capital. The broadcast said that the population must be ready to surrender its property to the Red Army. Civilians were forbidden to move outdoors between 8 P.M. and 5 A.M. Estonia was expected by Baltic political exiles to revolt with the approach of Nazi troops.

The Best 386 for Portable PCs is...

Herald Tribune.
BUSINESS/FINANCE
** MONDAY, JUNE 24, 1991

Advanced Micro Devices' Am386™

EUROBONDS

Ecu Market Stumbles On Crucial Jumbo Issues

By Carl Gewirtz
International Herald Tribune

PARIS — The act couldn't have been more banal: Norway decided to join the growing list of European states issuing debt denominated in European currency units. But the execution in bringing the jumbo 1 billion Ecu deal to the market last week re-opened the controversy about how sovereign borrowers should go about launching large new issues.

In effect, Norway hoped to surprise the market — a plan foiled by leaks. But even surprise, critics assert, would not have solved the basic problem that markets — particularly relatively fledgling sectors like the Ecu — need time to adjust to the potential disturbance of a jumbo issue.

Norway wanted a successful issue with terms that were fair to both itself and investors.

The Ecu sector suffered in late winter when Britain, Belgium, Italy, the European Investment Bank and the European Community in the space of three weeks flooded the market with jumbo issues totaling 7.9 billion Ecus ($9.02 billion). And it got hit badly again last week.

Five banks submitted bids on the proposed terms to Norway at 8 a.m. last Monday, as they had been asked to do the previous Friday. By late Friday, word was already circulating in the market that Norway would be launching a five-year jumbo issue.

Potential underwriters expected to have the go-ahead to launch the deal as the market opened at 9 a.m. Monday. In fact, the mandate was not awarded to Banque Paribas until 1 p.m. By then, traders had had ample time to short the market. One widely circulated rumor said the paper would be offered to yield between 9.07 and 9.1 percent.

Anticipating that the market was not so robust as to absorb 1 billion of new paper, dealers had begun to sell outstanding five-year Ecu bonds on the expectation that prices would fall and the borrowed paper that had been sold could be profitably repurchased at a lower price. Dealers were also hedging themselves in the Deutsche mark and French franc government bond markets as the two currencies account for 49.95 percent of the Ecu's value and rate of interest.

CRITICS SAY it was a classic set-up of the market betting against the issuer and its lead manager and the market won. The actual terms — a 9 percent coupon and a slight discount on the offering price of 99.90 for a yield of 9.025 percent — were a disappointment to expectations raised by the earlier rumors and further contributed to the market's downtrend.

The underwriting syndicate, which maintained the 99.90 offering price, broke early Tuesday and the paper promptly fell to levels that wiped out the 0.25 percent underwriting fees — meaning that banks could sell the paper only at a loss.

The paper ended the week quoted at 99.25, a touch above its low of 99.17, but even at that level underwriters were still sitting with large unsold positions. Underwriters estimated that banks were still holding half the issue.

Assuming that the remaining paper will be sold at the current price level and that the other half was not sold at a profit, bankers estimate that underwriters will lose between 3 million to 4 million Ecus.

While bankers argue about whether the market was about to weaken or whether the weakness was sparked by the hedging tactics of market professionals, the fact is that prices in the five-year maturity in the Ecu market fell almost a fifth of a percentage point more than in the 10-year sector — evidence that market operators were exaggerating the downtrend.

Bankers had no quarrel about the terms Norway proposed. The yield of 9.025 percent was well above the most aggressive unsolicited proposal for a yield of 8.98 percent.

Sigurd Klakeg, head of the debt office within the finance ministry of Norway, had made clear he wanted a successful issue with terms that were fair to both Norway and investors. The mandate was awarded on the basis of which bank provided the most attractive swap — half the issue was swapped into floating rate Ecu and U.S. dollars at around 35 basis points below the interbank offered rate.

What went wrong, professionals say, was that the terms were based on the assumption market conditions would remain stable. But in retrospect it is clear that, apart from whatever else may have turned the market, billion-Ecu deals will unsettle prices.

In a small way, this was a replay of the experience earlier this year and underlines the need for special procedures to market jumbo issues.

Last February, for example, Britain issued 2.5 billion Ecus of 10-year bonds and bankers spent two hours talking to investors before terms were set to determine whether the U.K. paper should yield one to four basis points below the return on the French government's outstanding 10-year Ecu bond.

The price discovery period was not focused on what the U.K.

See BONDS, Page 9

CURRENCY RATES

Cross Rates

June 21

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	2.0315	3.304	1.1265	0.3315	0.1514 *	—	5.471 *	1.313	1.463 *	1.775	1.7925 *
Brussels	36.97	60.4325	20.59	6.0595	2.7682 *	18.2795	—	23.9975	0.2672	32.39	32.775 *
Frankfurt	1.7993	2.935	—	0.2943	0.1345 *	0.8878	4.858 *	1.1463	1.2975 *	1.5755	1.591 *
London (a)	1.6275	—	2.9336	9.9703	2,180.00	3.3085	60.25	2.5177	226.305	1.8603	184.11
Madrid	112.958	184.291	62.831	18.49	8.444 *	55.779	3.0517	73.254	81.617 *	98.947	—
Milan	1,338.40	2,182.15	743.85	218.91	—	660.40	36.134	867.40	9.454	1,170.98	11.84
New York (b)	—	1.625 a	1.8025	6.1195	1,341.00	2.0290	37.075	1.5475	138.95	1.1400	113.20
Paris	6.1125	9.947	3.3982	—	0.4589 *	3.0148	0.1651	3.962	4.4075 *	5.3385	5.4095 *
Tokyo	138.95	226.28	77.28	22.73	0.1036	68.62	3.7544	90.11	—	1.2127	1.2208
Toronto	1.143	1.8636	0.6353	0.1870	0.854 *	0.5641	3.084 *	0.7383	0.8226 *	—	1.011 *
Zurich	1.546	2.517	0.8580	0.2561	0.1155 *	0.7625	4.174 *	—	1.117 *	1.3546	1.3671 *
1 ECU	1.1416	0.6998	2.0534	6.9743	1,527.23	2.3119	42.2579	1.7604	158.232	1.3035	128.950
1 SDR	1.3362	0.8072	2.3880	8.0452	1,761.77	2.6654	48.7645	2.0315	183.815	1.5892	148.673

Closings in Amsterdam, London and Zurich, fixings in other centers; New York closing rates and Toronto rates at 3 p.m.

*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	9960.00	Greek drac.	197.55	Mex. peso	3017.50	S. Afr. rand	2.89
		Hong Kong $	7.713	N. Zealand $	1.7376	Soviet ruble*	0.6066
Austral. $	1.308	Indian rupee	21.186	Norw. krone	7.017	Swed. krona	6.50
Austr. schil.	12.61	Indo. rupiah	1948.03	Phil. peso	27.46	Taiwan $	27.21
Brazil cruz.	303.35	Irish £	0.6793	Port. escudo	159.45	Thai baht	25.79
Chinese yuan*	5.3603	Israeli shek.	2.3386	Saudi riyal	3.75	Turkish lira	4208.01
Danish krone	6.9275	Kuwaiti dinar	3.48	Sing. $	1.786	UAE dirham	3.672
Egypt. pound	3.2826	Malay. ring.	2.786	S. Kor. won	725.50	Venez. boliv.	55.66

*Fin. markka 4.2995; New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6239	1.6169	1.6109	Canadian dollar	1.1468	1.1483	1.1503
Deutsche mark	1.8023	1.8071	1.8114	Japanese yen	138.62	138.82	138.98
Swiss franc	1.5443	1.5470	1.5492				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States	June 21	June 14	Ch'ge
DJ Indus.	2,965.56	3,000.45	— 1.16 %
DJ Util.	197.81	210.20	— 5.89 %
DJ Trans.	1,190.59	1,234.66	— 3.57 %
S & P 100	360.53	364.28	— 1.03 %
S & P 500	377.75	382.30	— 1.19 %
S & P Ind	450.67	455.43	— 1.05 %
NYSE Cp	206.87	209.34	— 1.18 %
Britain			
FTSE 100	2,487.50	2,522.30	— 1.38 %
FT 30	1,947.30	1,976.30	— 1.47 %
Japan			
Nikkei 225	24,275.	25,094.	— 3.26 %
West Germany			
DAX	1,711.86	1,699.83	+ 0.71 %
Hong Kong			
Hang Seng	3,565.14	3,639.15	— 2.03 %
World			
MSCIP	494.40	496.50	— 0.42 %

World Index From Morgan Stanley Capital Int'l.

Money Rates

United States	June 21	June 14
Discount rate	5½	5½
Prime rate	8½	8½
Federal funds rate	5 11/16	5⅝
Japan		
Discount	6.00	6.00
Call money	7⅝	7 29/32
3-month interbank	7 23/32	7⅝
West Germany		
Lombard	9.00	9.00
Call money	8¾	8¾
3-month interbank	9.00	9.00
Britain		
Bank base rate	11½	11½
Call money	11⅜	11⅜
3-month interbank	11 3/16	11¼

Gold	June 21	June 14	Ch'ge
London p.m. fix, $	366.25	369.00	— 0.75 %

Europeans Grow Protective as 1992 Approaches

By William Drozdiak
Washington Post Service

BRUSSELS — This was to be the decade when the walls in Europe came tumbling down.

The dismantling of the continent's economic barriers was the goal of a compact among the 12-nation European Community to create a single market of 340 million European citizens enriched by the free flow of people, goods, services and money.

But less than 18 months before the date that single-market measures should be in place, many European business executives are having second thoughts. As much of Europe hovers on the brink of recession and Japan's growing economic clout threatens key industries like automobiles and electronics, some of Europe's top executives are running scared and waging a desperate rear-guard campaign for subsidies and other forms of special treatment to protect them from outside competition.

The "Fortress Europe" mentality, so piously rejected in the early steps toward the single market, is now on the way back to respectability.

In France, the new prime minister, Edith Cresson, is demanding that the Community come to the rescue of France's auto and electronics industries before Japan drives them out of existence. Her government has proposed billion-dollar bailouts for the state-controlled electronics firms Groupe Bull SA and Thomson SA despite the opposition of the EC's competition authorities, who insist the state should not act differently than any private investor.

In Germany, which has long espoused free-trade principles because of its traditional strength as the world's leading exporter, some leading companies are looking for government assistance to thwart foreign challenges. The Siemens AG electronics group wants aid to compensate for losses by its semiconductor branch, and even powerful Daimler-Benz AG is seeking as much as $600 million in fresh help for new aerospace ventures.

In other ways, European governments are showing markedly less enthusiasm these days for the 1992 project. While the Community has approved about 200 laws to set up the single market, many countries have been slow to implement them because they want to do all they can to protect local firms and save jobs.

Those details, however, do not frighten pro-European marketeers as much as the Community's approach to the outside world.

"The end-of-1992 deadline for setting up a single European market will be met by all member countries, give or take a few weeks," said a senior EC official. "What remains uncertain is the nature of Europe's attitude toward the outside world, and that will be largely determined by how well governments stand up to the pressures of industry."

The Community's executive Commission, which increasingly controls the external trade policies of its member states, has generally advocated an open trading posture.

But the commission's view seems likely to come under increasing attack as governments and industry join to plead for Community financial support. As Mrs. Cresson's rallying cry against the Japanese would attest, more politicians and business executives believe the hour is getting late to salvage the future of vital European industries.

Indeed, Japanese companies have already seized a considerable share of Europe's electronics industry by leapfrogging trade barriers and investing directly in the Community. Fujitsu Ltd. last year purchased ICL, Britain's largest computer maker, and NEC Corp. is still pursuing talks with Bull about buying a sizable stake in the beleaguered French company.

Similarly, the Japanese have badly split

See EUROPE, Page 11

Unified Regulation Urged for Brokers

By Carl Gewirtz
International Herald Tribune

PARIS — To prevent a "meltdown" of financial markets, as nearly happened in October 1987, a group of experts is urging that international securities houses be subject to the same kind of coordinated supervisory system as now exists for banks.

The report is contained in the June issue of Financial Market Trends for release Monday by the Organization for Economic Cooperation and Development.

It says the experts, including officials from some of the main regulatory authorities in the world, believe that "the greatest scope for progress" to insulate the financial system against a mishap "lies in improving settlement systems."

Settlement systems, the report says, are vital because an upset caused by a cash strain can quickly escalate into a solvency problem.

The experts want to see shorter settlement periods in delivering securities against payment, paperless transfer systems "and the construction of legally valid systems of netting," or offsetting buy and sell transactions. These systems, the report said, would probably involve "the use of central counterparties."

A system of central oversight for the securities business would not imply "that the authorities would invariably step in to prevent the failure of any individual firm," the report said. Instead, the aim would be to reinforce risk-management practices, limiting the frequency of official intervention.

"Both securities and banking supervisors need to continue their efforts," the report said, "to achieve greater consistency in setting capital-adequacy requirements."

The experts noted that diversity of regulatory coverage encourages "regulatory arbitrage," whereby securities firms seek to locate in areas where supervision is deemed most favorable. Diversity of coverage also means that "some significant risk-taking activities" might be left outside the supervisory net.

Noting that margin requirements in futures markets are normally determined by the clearing houses linked to individual exchanges, the experts expressed concern that competitive pressures may spur the clearing houses to focus on market liquidity at the expense of prudential considerations.

The report highlights the "nexus of potential interrelationships" between securities houses and banks that could pull the banking systems into a crisis in the securities markets and vice versa.

U.S. Watches as Airbus Soars

By Steven Greenhouse
New York Times Service

PARIS — Five years ago, when Airbus Industrie was an unproven underdog, many airlines hesitated to order its aircraft because they were uncertain Airbus would be around in a few years' time.

But Airbus is still alive and kicking. The European aircraft consortium has captured 30 percent of the world market and is gunning for close to 40 percent. It has shoved McDonnell Douglas aside to take the industry's No. 2 spot, and its rapid ascent even has some Boeing officials worrying about their company's survival.

With about half the world's aircraft market, Boeing Co. is not easily cowed. But Boeing officials say they are competing not just against a company — but against the deep pockets of the French, German, British and Spanish governments, which the Americans say have improperly pumped $26 billion into Airbus to propel Europe into the aviation big leagues.

While Washington has taken little action against Airbus to date, the conviction that massive subsidies have enabled Airbus to mount a serious challenge in one of the few areas where America retains industrial superiority is fueling talk of a trade war.

For Boeing, the stakes are higher than ever in its jousting with the 21-year-old European enterprise. Now that Airbus has five aircraft models, its order book has exploded, causing Boeing's share of last year's orders to plunge below 50 percent for the first time in decades.

What is more, at this year's Paris air show, which ended Sunday, Airbus said it would begin studying the development of a 600-seat to 700-seat aircraft, the largest in history.

Airbus has 30 percent of the world market and is gunning for close to 40 percent.

This super jumbo jet would provide the first head-to-head competition for Boeing's 747, which has long been the U.S. aircraft maker's cash cow.

Fearing that the 747s days as the unrivaled king of the skies may soon be over, Boeing, along with the Bush administration, has turned up the rhetoric about Airbus subsidies. Boeing executives say Airbus could undertake such a multibillion dollar project only through massive subsidies from the European governments.

"If they continue these subsidies, then there may be no one left in the business except Airbus in 15 years," said Lawrence Clarkson, Boeing senior vice president for international affairs.

Some industry officials say Boeing is crying wolf. But there is no denying that Airbus has cut into Boeing's and McDonnell Douglas's profit margins, making it harder for them to develop new aircraft.

Airbus has chopped Douglas's market share over the last decade to 15 percent from 30 percent, and many analysts say Douglas's survival in commercial aviation may be in danger.

Industry officials also say that if the Europeans reject U.S. demands to curb Airbus subsidies in trade talks being held in Geneva, Washington might slap higher duties on Airbus aircraft, Mercedes-Benz cars or other European products.

Mercedes cars could be a target because Deutsche Aerospace, a subsidiary of Daimler-Benz AG, is an Airbus shareholders. The others are British Aerospace, Aerospatiale, a state-owned French company, and Casa, a state-owned Spanish aerospace company. The group

See AIRBUS, Page 9

Scandal Expands In Japan

Payouts Reported At $480 Million

Compiled by Our Staff From Dispatches

TOKYO — Japan's big brokerages paid the equivalent of $480 million in questionable compensation to important clients for stock and bond market losses, significantly more than the amount previously reported, the Yomiuri Shimbun said over the weekend.

Nomura Securities Co. and Nikko Securities Co. had acknowledged Friday that they compensated clients to the tune of more than 16 billion yen ($115 million) each last year.

But Yomiuri reported Saturday that payments by Nomura came to 26 billion yen in the three years to March, while Nikko's payments amounted to 24 billion yen. Daiwa Securities Co. compensated favored clients for 7 billion yen, while payments by Yamaichi Securities Co. reached 10 billion yen, the newspaper said.

Japan's Securities and Exchange Law prohibits securities firms from attracting customers by promising them compensation for any investment losses. The law is unclear about cases where securities firms make no promises but compensate their clients anyway.

Most reports have assumed that the major beneficiaries of such compensation have been institutional investors such as insurance firms and banks. But another newspaper, Asahi Shimbun, reported Sunday that the Japanese government benefited from the plan through a pension fund for government employees administered by the health and welfare ministry, which reportedly received 4.5 billion yen in compensation.

Still another paper, Mainichi Shimbun, reported Saturday that Nomura and Nikko had provided the crime boss Susumu Ishii with 36 billion yen to pump up the share price of Tokyu Corp., a railroad, retail and real estate company.

Both Nomura and Nikko admitted Friday that their subsidiaries were involved in lending to Mr. Ishii although at the time the companies were thought to have provided only 2 billion yen each.

(AFP, NYT)

A Heavy Reckoning For Lloyd's 'Names'

By Glenn Frankel
Washington Post Service

LONDON — There's a new telephone help-line in London, but its clients are not the usual collection of alcoholics, drug addicts or others in distress. Instead, they are well-heeled investors in Lloyd's, the legendary, high-risk insurance exchange, and their problem is simple: They're about to go broke.

When Lloyd's holds its yearly meeting this week, the corporation is expected to announce its first annual loss since 1967 — around £500 million ($800 million), according to one independent estimate. And that loss, which applies to the 1988 underwriting year, is just the beginning: The next two years are going to be even worse, many analysts predict.

The losses will fall on some of British society's best-known names: the publishers Robert Maxwell and Lord Rothermere, Prince and Princess Michael of Kent, the novelist Jeffrey Archer and 62 Conservative members of Parliament.

But there are also thousands of middle-class people who enlisted with Lloyd's in recent years, lured by the promise of big profits, and who now find themselves facing disaster. "It's been nonstop calls," said Valerie Robinson, a Lloyd's member who has been answering the help-line for the past week.

Lloyd's is a society of underwriters whose members — known as "names" — accept insurance business for their personal profit or loss. Until this year, Lloyd's has recorded losses only three times in this century. But now that the golden profits of the 1980s have vanished, many members of the exchange are confronted with the fine print in their contracts that leaves them with unlimited liability for losses — "down to the last cuff link," as one broker put it.

To help members in distress, Lloyd's has set up a hardship committee, which has promised that those who agree to terms will be allowed to keep a small annual income and a roof over their heads.

A North Sea oil-drilling disaster here, a San Francisco earthquake there and Hurricane Hugo in between all have done serious damage to Lloyd's profits. There have been long-term liability losses in areas such as asbestos and pollution claims in the United States.

But many members contend that Lloyd's main problems are bad management, miscalculation, greed and, in some cases, criminal wrongdoing by some of its brokers.

At least 47 underwriters and brokers have been expelled from Lloyd's in recent years for alleged dishonesty involving more than $150 million in members' funds.

More than 2,000 names are involved in legal proceedings against their agents. And 33 other members are suing Lloyd's itself, charging the corporation failed to properly manage the agency that ran their insurance syndicates.

For a brief time, Lloyd's power brokers believed they had found a partial solution to the mounting financial calamity: an amendment to a bill before Parliament that would allow members to spread losses over a three-year period for tax purposes. A lobbying campaign was launched in the House of Commons, quietly aided by some members of the government. But when the plan was disclosed last week, both the public and many politicians cried foul.

Sensing political disaster, the government quickly backed off.

Lloyd's announced a few months ago a new procedure under which syndicate losses above a certain level would automatically trigger an investigation. There are also procedures to resolve disputes between members, instituted by the new chairman, David Coleridge.

He also has established a task force that is examining new regulatory measures, as well as the crucial issue of whether unlimited liability should be eliminated altogether.

IBM-Lotus Deal Seen

New York Times Service

NEW YORK — International Business Machines Corp. and Lotus Development Corp. plan to announce an alliance based on Lotus software. Under an agreement scheduled to be announced at an IBM news conference Monday in New York, IBM would agree to use a Lotus program called Notes in its OfficeVision software, analysts and industry executives said.

Notes represents a new style of computing, referred to variously as networking or interpersonal computing, that is the fastest-growing sector of the computer industry. With Notes, computer users can confer on their individual computers, adding comments and reading those of other participants. Corporations are beginning to link thousands of desktop machines and are searching for appropriate software.

SOLVAY

UNEVEN MARKETS WELL UNDER CONTROL

DIVIDEND ON THE RISE

KEY FIGURES FOR THE YEAR ENDING DECEMBER 31
(data approved by the external auditor)

Solvay Group (in million)	1989 BEF	90/89 +/- (%)	1990 BEF	1990 USD
Sales	256,798	- 0.6	255,241	8,252
Investments	30,800	+18.5	36,500	1,180
R&D expenditures	11,965	+ 7.4	12,846	415
Net earnings	16,712	- 4.8	15,910	514
Solvay S.A. (in BEF per share)				
Net dividend	470	+ 6.4	500	16

Rate of exchange 1990: USD 1 = BEF 30.93

The year 1990 will be remembered as a period of trial in contrast to the hopefulness of 1989.

For the Solvay Group, 1990's performance was slightly below the record 1989 results. Consolidated net earnings declined by 4.8%, but were still above the extremely high level attained in 1988.

The Group's policy of diversification paid off, for although results were down in Plastics and weakening in Alkalis and Peroxygens, they improved in Processing and Health.

The past year also marked the beginning of our return to Central Europe.

The year 1990 saw further improvements in our management philosophy. By starting to move toward Total Quality Management, we seek to go beyond just quality products and processes; we want customers and their needs to be our primary concern, and in this way improve further in service and competitiveness.

Again this year, Solvay demonstrated its confidence in the future of the Group, increasing the dividend paid to shareholders by 6.4%.

Baron Daniel Janssen
Chairman Executive Committee

SOLVAY

The annual report is available in English, French, Dutch and German on request from the Company Secretary, Solvay, rue du Prince Albert 33, B-1050 Brussels

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Securities, London, Tel: 01 323 11 30. Prices may vary according to market conditions and other factors. June 21

Dollar Straights

Issuer	Cpn	Mat	Price	Yld	Spd Tsy

Governments / Supranationals

Banks & Finance

Global Corporates

Third World

Dollar Zeros

Floating Rate Notes

Issuer & Mat	Price	Cr. Cpn.

Deutsche Marks

Pounds

Dollars

Ecus

MUTUAL FUNDS

Figures as of close of trading Friday, June 21.

	Bid	Ask

New International Bond Issues

Compiled by Laurence Desvilettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
Floating Rate Notes						
Hyosung America	$ 50	1996	½	100	—	Over 3-month Libor. Redeemable at par in 1994. Fees 1.20%. Denominations $50,000. (KEB Int'l.)
European Investment Bank	£200	1996	3/16	100	—	Below 6-month Libor. Callable at par from 1994. Fees 0.16%. Denominations £10,000. (Solomon Brothers Int'l.)
Fixed-Coupons						
National Bank of Hungary	$100	1996	10½	97.20	96.95	Noncallable. Fees 1⅞%. (Bankers Trust Int'l.)
Oesterreichische Kontrollbank	$100	1996	8¼	100⅝	99.30	Reoffered at 99¼. Noncallable. Fungible with outstanding issue, raising total to $300 million. Fees 1⅞%. (J.P. Morgan Securities.)
LB Rheinland-Pfalz	DM 50	1993	10⅛	100¼	—	Redemption at maturity may be in shares of Thyssen AG plus cash. Noncallable. Fees 1⅛%. (Schweizer Bankverein Frankfurt.)
Severn Trent	£125	2001	11⅝	101.31	99.32	Reoffered at 99.71. Noncallable. Fees 2%. (Baring Brothers.)
Lafarge Coppée	FF 500	1994	zero	100	—	Redemption amount will be linked to the performance of company's share price, with a minimum of par and a maximum of 160. Fees 1⅛%. (Caisse des Dépôts et Consignations.)
Airbus Industrie	ITL 150,000	1996	12¼	101¾	99.87	Noncallable. Fees 1⅞%. (Banco di Napoli.)
GTE Finance	ITL 150,000	1995	12⅝	101.30	99.58	Noncallable. Fees 1⅛%. (Banco di Roma.)
Finance for Danish Industry	DK 300	1996	9⅝	102	—	Noncallable. Fees 1⅞%. (Den Danske Bank.)
European Investment Bank	SP 15,000	1996	11.30	101.30	99.75	Noncallable. Fees 1⅛%. (Banco Español de Credito.)
Council of Europe	PTE 10,000	1996	13	101½	101.20	Noncallable. Fees 1⅝%. (Banco Portugues de Investimento.)
Norsk Hydro	ECU 150	1998	9⅝	101.45	99.55	Reoffered at par. Noncallable. Fees 1⅞%. (Morgan Stanley Int'l.)
Norway	ECU 1,000	1996	9	99.90	99.25	Noncallable. Fees 0.25%. (Paribas Capital Markets Group.)
Ontario Province	C$ 500	1998	10⅜	101⅜	99.55	Reoffered at 99.80. Noncallable. Fees 1⅞%. (Deutsche Bank Capital Markets.)
Marubeni Investment	Y 10,000	1999	6	94¾	—	Noncallable. Fees 2%. Denominations 10 million yen. (Daiwa Europe.)
Oki Electric Industry	Y 20,000	1998	7¼	101.65	—	Noncallable. Fees 1⅞%. Denominations 10 million yen. (Yamaichi Int'l Europe.)
Equity-Linked						
Aegon	$370	2001	7	100	100.00	Redemption at maturity at 122.94 to yield 8½%. Convertible into company's shares at 148 guilders per share, a 22% premium, and at 2.027 guilders per dollar. Fees 2½%. (Morgan Stanley Int'l.)
Asahi Glass	$370	1998	5½	100	97.75	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set June 25. (Yamaichi Int'l Europe.)
Asahi Tec	$ 70	1995	4⅜	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 892 yen per share and at 141.95 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Nippon Denko	$100	1995	4	100	100.13	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set June 25. (Yamaichi Int'l Europe.)
Sekisui House	$200	1996	4½	100	99.38	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,364 yen per share and at 141.75 yen per dollar. Fees 2¼%. (Nomura Int'l.)
Asahi Glass	DM 630	1995	4	100	97.60	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set June 25. (Westdeutsche Landesbank.)
Hisamitsu Pharmaceutical	DM 100	1995	4	100	97.75	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set June 24. (Nikko Bank Deutschland.)
Sekisui House	DM 250	1995	4	100	—	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at 1,364 yen per share and at 79.02 yen per mark. Fees 2¼%. (Yamaichi Bank Deutschland.)
Shinko Shoji	DM 90	1995	4	100	99.00	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at 1,794 yen per share and at 78.89 yen per mark. Fees 2¼%. (Daiwa Europe Deutschland.)
Euro Disney	FF 2,265.	2001	6¾	100	—	Redemption at maturity will be at 110. Each 140-franc bond convertible after April 1992 into one of company's shares, for a 20% premium. Fees 2½%. Also 1.703 billion francs offered in France and to existing shareholders. (S.G. Warburg Securities.)

The Future of Donald Trump

He May Survive, but Will He Ever Be the Same Again?

By Kathleen Day
Washington Post Service

During the last 18 months, Donald Trump *has sold off vast chunks* of his $4 billion empire of real estate, casino, hotel and airline holdings as he scrambled to avoid personal bankruptcy.

But to hear Mr. Trump and his top aides tell it, the man who flaunted his gift for self-promotion in books such as "Trump: The Art of Survival" will not only survive *his financial downfall, he'll climb* back to the top.

"He'll return as a major real-estate developer," said Stephen Bollenbach, chief financial officer of the Trump Organization. "Absolutely."

But bankers, real-estate experts and hotel and casino analysts have a different view. They predict Mr. Trump will never regain his former dominance of Manhattan real estate, Atlantic City, New Jersey, gambling and People magazine covers and will be lucky to emerge with a fraction of his former wealth.

"His former glory was based on illusion," said Anthony Downs, senior fellow in economic studies at the Brookings Institution, a Washington think tank. "He overborrowed and in many cases he overpaid for properties, anticipating profits that were unrealistic. Nothing is impossible, but I doubt he can re-create the reputation no matter what he does."

Last Monday, Mr. Trump missed a $41.1 million payment to bondholders of the Trump Castle Casino Resort. Even so, the gambling commission of New Jersey ruled Thursday that Mr. Trump is strong enough financially to continue operating his two other Atlantic City casinos, the Taj Mahal and the Trump Plaza. The commission is expected to give its approval for Mr. Trump to continue operating the Castle in a few days.

Meanwhile, his loan-restructuring agreements with his major bank lenders — including Citicorp, Bankers Trust Co. and Manufacturers Hanover Corp. — are in the final stages of being worked out, according to bankers and Mr. Bollenbach. Under the agreements, the banks will take partial or complete control of the Trump Shuttle airline; his yacht, the Trump Princess; the Regency Hotel in Atlantic City; and the Grand Hyatt Hotel in New York, among other assets.

In exchange, the banks will erase a large part of Mr. Trump's $2.65 billion debt, nearly $1 billion of it *personally guaranteed* by the developer. In addition to controlling shares in the casinos, the bank agreements will leave Mr. Trump with the Trump Tower, a residential and shopping complex on Fifth Avenue in New York; his palatial home in Florida, Mar-a-lago; 76 acres (30 hectares) of empty rail yard on Manhattan's West Side that Mr. Trump still plans to develop into a commercial and residential complex called Trump City; and the Plaza Hotel in New York.

Mr. Trump's personally guaranteed debt will have declined to between $100 million and $200 million, but he will still owe hundreds of millions of dollars — bankers won't say exactly how much — in mortgage payments and other debt secured by the properties he will own.

Assuming Mr. Trump survives, a major impediment to rebuilding his empire will be the difficulty he'll have persuading banks to finance new deals.

Trump Denies Hilton Deal

Reuters

NEW YORK — Donald Trump denies rumors that he might sell Trump Castle Casino in Atlantic City, New Jersey, to Hilton Hotel Corp.

Mr. Trump will appear before the New Jersey Casino Control Commission Wednesday to present a debt restructuring plan for the Castle.

Barron Hilton, who controls Hilton Hotels, appears Monday before the state licensing panel but won't submit a plan to buy a particular casino, analysts said.

Chinese Investment Pours Into Hong Kong

Agence France-Presse

BEIJING — China is flooding Hong Kong with capital and establishing multiple economic bases in the British colony ahead of its return to mainland rule in 1997, the official China Daily reported Sunday.

"Mainland money pours into Hong Kong," the newspaper said, adding that the government is "establishing footholds in every corner" of Hong Kong.

China has invested about $10 billion in the territory and set up thousands of companies, primarily under the impetus of China Resources (Holdings), whose revenue amounted to $6.5 billion in 1989; China Travel Service; and Bank of China Group, which has 313 branches and employs 14,000 people in Hong Kong.

Beijing is also investing massively in trade, insurance, transport, advertising and manufacturing in Hong Kong, the China Daily said.

Beijing, which has guaranteed that Hong Kong can keep its capitalist system intact for 50 years after the handover, is concerned about how much money will be left in the colony's coffers in 1997. China has not yet approved a plan to build a new Hong Kong airport at a cost of at least $10 billion.

BUSINESS BRIEFS

More Work for Foreigners in Taiwan

TAIPEI (AFP) — Taiwan is to allow more foreign workers to join six selected labor-intensive industries amid an acute labor shortage plaguing manufacturers here, labor officials said Saturday. The six industries include textiles, basic metals, metal manufacturing, machinery, electronics and construction, officials of the Council of Labor Affairs said.

Lured by Taiwan's "economic miracle," thousands of foreigners, most from Southeast Asian nations, have come to the island seeking jobs, although since October 1989 Taiwan has restricted alien workers to government construction and housing projects on a case-by-case basis.

Chinese workers are still banned despite calls from local manufacturers who prefer employing mainlanders for better communication because of their similar language and cultural background.

Mannesmann Considers Davy Deal

BONN (Reuters) — The engineering group Mannesmann AG said it is considering a cooperation with the metals division of Davy Corp. of Britain, but it declined to confirm an offer had already been made.

A company spokesman declined comment on a report in the The Sunday Times that Mannesmann was bidding £150 million ($244.1 million) for the division. He said Davy apparently planned a formal sale, and other companies had expressed interest in its main divisions. Davy Corp officials were unavailable for comment.

British Upturn Foreseen 'This Year'

LONDON (Combined Dispatches) — Britain is on course for an economic upturn in the second half of the year, David Mellor, chief secretary to the treasury, said Sunday. "We have been forecasting that there will be an upturn. I see absolutely no reason to doubt that," Mr. Mellor said in a television interview.

His view was echoed by Norman Lamont, chancellor of the Exchequer, who predicted a second-half upturn as cuts in interest rates boost consumer and industrial confidence.

However, the Confederation of British Industry said Sunday its members see no signs of an economic upswing before the third quarter of 1991. It said 66 percent of British industrialists said orders were slow, while only 8 percent said they were better than normal. *(Reuters, AFP)*

New U.S. Aid for Polish Development

WARSAW (AP) — The United States has allocated $15 million to help develop Polish business, agriculture and and health services, a U.S. aid official has announced.

Carol C. Adelman of the U.S. Agency for International Development said Saturday the assistance was aimed primarily at small and medium-size businesses. "We are really trying to build a climate and conditions for business investment and growth," she said at the conclusion of a two-day visit to Poland.

Volkswagen Considering A 'Swatch-Car'

Reuters

WOLFSBURG, Germany — Volkswagen AG has confirmed talks with Nicholas Hayek, the Swiss businessman who developed the Swatch watch, about the possible production of a "Swatch-Car."

But Ortwin Witzel, a VW spokesman, said that no agreement had been signed.

A report in Der Spiegel magazine, which described a two-seater city car to be powered either electrically or with gasoline, was "pure speculation," Mr. Witzel said.

The car should a "cheery, environmentally safe and inexpensive city car for two people and two cases of beer," the *magazine quoted* Mr. Hayek as saying.

Waigel Rejects Tax Hike To Pay for Berlin Move

Reuters

BONN — Finance Minister Theo Waigel, trying to reassure Germans worried about further tax increases, said over the weekend that spending cuts rather than higher taxes should pay for the government's move to Berlin.

But a spokesman for the opposition Social Democratic Party, Ingrid Matthäus Maier, argued that tax hikes would inevitably be needed to finance the move from Bonn.

Economists have estimated the move to Berlin will cost up to 100 billion Deutsche marks ($56 billion).

"We must solve this problem in a way that does not result in tax rises," Mr. Waigel said at a Saturday meeting in Nuremberg of the Christian Social Union, the conservative partner of Mr. Kohl's Christian Democratic Union.

Economists say the government could minimize the need for new taxes if it sticks to a slow pace for the move and decides to leave large administrative operations in Bonn.

They also say much will depend on the pace of the East German recovery. Most of the cost of the move to Berlin would come late in the 1990s, when transfers to East Germany have receded.

In this connection, the IFO economic research institute reported over the weekend that the East German outlook was brightening.

Based on its April survey of German companies, the Munich-based institute said that the East German construction sector especially was showing "clear signs of improvement," with companies reporting a rise in output for the first time since IFO began conducting the surveys in July 1990.

Demand for East German industrial products has stabilized, IFO said, and production plans showed a slight trend toward higher output.

Traders Look Warily at This Week's Auctions

By H.J. Maidenberg
New York Times Service

NEW YORK — A relatively large amount of short and intermediate Treasury debt is due for sale this week on a market nervous about the size of the U.S. federal budget deficit and the dollar's exchange rate.

Treasury bond prices fell Friday, while most shorter maturities posted modest declines.

What kept many buyers away, dealers said, was the record federal deficit of $53.35 billion for May and the usual caution preceding a meeting of the Group of Seven nations.

"Also depressing the Treasury market is the relatively large amount of short- and intermediate-term notes on dealer shelves, which reduces the amount of cash available to take up the two- and five-year notes to be auctioned," said Andrew J. Schnydrig, Treasury securities trader at the New York branch of Bank Julius Baer of Zurich.

U.S. CREDIT MARKETS

On Tuesday, the Treasury will sell $12.5 billion of two-year notes, followed by $9.25 billion of five-year notes the next day. The notes traded on a when-issued basis to yield 6.96 percent and 7.94 percent, respectively.

In addition to the note auctions and a total of $20 billion in the regular Monday sales of three- and six-month bills, the Treasury will offer $12.5 billion of one-year bills on Thursday.

Mr. Schnydrig said that in view of inventories of unsold two- and five-year notes from last month's auctions, "the tendency of some market participants is to sell the short end and buy the longer maturities. But unless the Federal Reserve moves to ease interest rates soon, the reverse course may be the most practical."

AIRBUS: *Consortium's Possible Super Jumbo Jet Has Boeing Worried*

(Continued from first finance page)

formed because each thought itself too small to challenge Boeing.

In the Europeans' view, government aid was essential if they were to break into the business and develop modern aircraft. Airbus's advocates also accuse the Americans of hypocrisy, asserting that Boeing's and Douglas's commercial aircraft operations have received billions of dollars in indirect aid through Pentagon contracts.

"The Americans take the position that the Europeans are the black sheep and the Americans the white sheep, when the truth is that all the sheep are gray," said Jean Pierson, president of Airbus.

Airbus expects to produce 200 aircraft a year beginning in 1993, compared with just 28 in 1986. And it reported its first-ever operating surplus last year, which Mr. Pierson said means that it can rely less on government aid.

Airbus for the first time entered the commercial bond market, borrowing $110 million last week to help fund the $480 million development of a 180-seat aircraft, the A321 a stretched version of its fast-selling 150-seat A320.

Airbus reported revenue of $4.7 billion last year, and industry officials estimate that its surplus was between $100 million and $150 million.

At first glance, Airbus's production structure would seem destined to fail. The fuselage for each of its jets is made by Deutsche Aerospace in Germany, the wings, by British Aerospace, and the tailfins in Spain by Casa. Then, big-bellied airplanes called Super Guppies, fly the parts to Toulouse, France, where Airbus is based and where Aerospatiale assembles the parts.

Boeing and Douglas often complain that Airbus has aggressively underpriced them, knowing that subsidies would help offset any losses.

Now Airbus is squaring off with Boeing and McDonnell Douglas in a high-stakes contest at American, Delta and United airlines, which are expected to order dozens of jets over the next few years to replace their aging DC-10s and Lockheed L-1011s.

But for Boeing, the biggest worry is Airbus's hope to build a super jumbo that would trump Boeing's 747. Airbus plans to decide by 1995 whether to build a super jumbo, which could be ready for the market early in the next century, when a large number of 747 are expected to be retired.

Boeing is studying three options for building a successor to the 747: a stretched version of the 747, a double-decker 747, and a wholly new aircraft. But financing the project could be a problem because Boeing is already weighed down with the $4 billion cost of developing its 777.

BONDS: *Ecu Jumbos Hit Snag*

(Continued from first finance page)

bonds should yield, but rather what spread relative to France the market would accept. In the meantime, market prices could move and the yield on outstanding bonds including the French paper could rise. Two hours later, the U.K. bonds were priced to yield four basis points below the level of the French paper.

The difficulty with this method is that not all governments are prepared to set terms relative to other countries — especially when the spread is likely to be higher than the benchmark.

A more fundamental problem is that issuers often need to lock up the all-in cost to borrow, not just the spread over the benchmark, in order to know whether the proceeds can be swapped.

An alternative is to announce some days before that a bid will be sought and have banks submit terms after the market has moved. But the week's notice also eliminates jumping on swap opportunities as they open up.

Another method is an auction with all market operators invited to submit bids on prices and amounts of paper they believe they can sell.

Of course, governments do not swap domestic debt and perhaps the solution to the problem lies in a complete separation between raising money and swapping the proceeds.

One potential drawback of an auction is that demand will not match the intended supply, but — as J.P. Morgan showed last year in a Eurodollar offering for Denmark — banks can agree to underwrite an auction by committing to take any unsold paper at a pre-established price.

Mr. Klakeg agreed that an auction represented "an interesting alternative" method of distribution, but cited two reasons for not using it. "We feel there is no consensus for it in the market. Especially when a rare borrower is coming to the market for the first time, we think it's important to use a structure that is widely accepted.

"In addition, this time we had certain constraints on the swap side. We had to move rather fast to take take advantage of the opportunities that were in the market."

The conclusion to be drawn from all this is that issuers and the banks have to develop a better system for distributing jumbo Ecu deals because losses like last week's and those in February will ultimately lead to the demise of big liquid sovereign issues that attract institutional investors to the market.

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Britain

Johnson Matthey

Year	1991/90	1990/89
Revenue	1,730.	1,518.
Pretax Net	66.80	48.20
Per Share	0.243	0.171

Racal Electronics

Year	1991/90	1990/89
Revenue	2,080.	1,900.
Pretax Net	222.93	201.37
Per Share	0.0836	0.091

Germany

Ford Werke

Year	1990	1989
Revenue	20,750.	19,810.
Profit	269.70	262.20

Wacker-Chemie

Year	1990	1989
Revenue	3,240.	3,260.
Profit	91.60	114.30

Japan

Dainippon Ink & Chem.

Year	1991/90	1990/89
Revenue	925,200.	882,720.
Profit	5,150.	8,100.
Per Share	6.54	10.42

Kanebo

Year	1991/90	1990/89
Revenue	688,470.	656,100.
Profit	1,030.	1,230.
Per Share	2.08	2.47

Kawasaki Heavy Ind.

Year	1991/90	1990/89
Revenue	1.02 T	920,340.
Profit	15,440.	12,540.
Per Share	11.60	9.42

T: trillion.

Konica

Year	1991/90	1990/89
Revenue	538,070.	509,110.
Profit	1,040.	961.00
Per Share	2.90	2.69

Mitsubishi Bank

Year	1991/90	1990/89
Revenue	4.34 T	3.86 T
Profit	90,050.	142,590.
Per Share	31.53	52.10

T: trillion.

Mitsubishi Rayon

Year	1991/90	1990/89
Revenue	353,450.	327,360.
Profit	3,980.	6,550.
Per Share	6.35	10.40

Nippon Mining

Year	1991/90	1990/89
Revenue	1.21 T	1.02 T
Profit	5,320.	2,560.
Per Share	5.91	2.93

T: trillion.

Snow Brand Milk Pdts

Year	1991/90	1990/89
Revenue	1.03 T	968,840.
Profit	8,010.	6,580.
Per Share	28.44	23.10

T: trillion.

Sumitomo Metal Mining

Year	1991/90	1990/89
Revenue	571,780.	594,940.
Profit	13,970.	19,190.
Per Share	27.81	38.38

Toppan Printing

Year	1991/90	1990/89
Revenue	1.06 T	976,020.
Profit	34,400.	33,080.
Per Share	53.41	51.50

Netherlands

KLM

Year	1991/90	1990/89
Profit	(a)630.0	339.50
Per Share	—	6.15

a: loss. Full name of company is KLM Royal Dutch Airlines.

United States

Bergen Brunswick

3rd Quar.	1991	1990
Revenue	1,240.	1,140.
Oper Net	17.10	17.80
Oper Share	0.50	0.52
9 Months	**1991**	**1990**
Revenue	3,590.	3,320.
Oper Net	51.20	48.10
Oper Share	1.49	1.40

GenCorp

2nd Quar.	1991	1990
Revenue	500.00	458.00
Oper Net	13.00	10.00
Oper Share	0.39	0.32
1st Half	**1991**	**1990**
Revenue	933.00	886.00
Oper Net	11.00	33.00
Oper Share	0.34	1.03

1991 nets include gain of $1 million.

Heinz (H.J.)

4th Quar.	1991	1990
Revenue	1,840.	1,690.
Net Inc.	156.10	135.30
Per Share	0.58	0.51
Year	**1991**	**1990**
Revenue	6,650.	6,090.
Net Inc.	568.00	504.50
Per Share	2.13	1.90

Humana

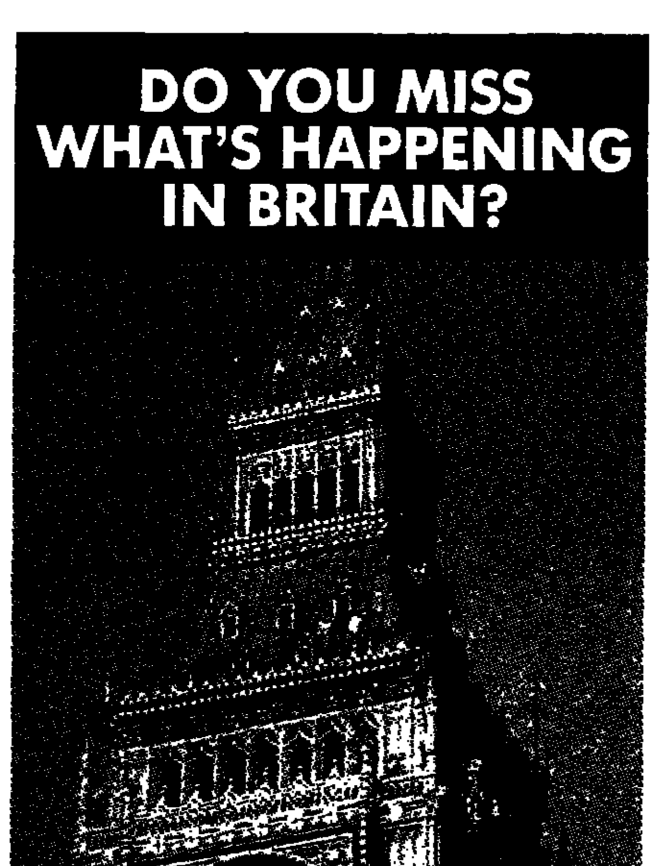
3rd Quar.	1991	1990
Revenue	1,590.	1,270.
Net Inc.	101.00	86.30
Per Share	0.96	0.84
9 Months	**1991**	**1990**
Revenue	4,300.	3,570.
Net Inc.	263.00	225.00
Per Share	2.51	2.22

1990 nine-month net includes gain of $10 million and charge of $9 million.

Nat'l Semiconductor

4th Quar.	1991	1990
Revenue	444.90	456.30
Oper Net	6.70	3.80
Per Share	0.04	—
Year	**1991**	**1990**
Revenue	1,700.	1,680.
Oper Loss	150.30	29.30

Quarter nets include gain of $6.3 million vs. credit of $8.8 million.



If Big Ben is ever threatened with a digital face, there is now a new paper which will ensure the news reaches you. The new Weekly Telegraph brings you the very best of The Daily Telegraph and The Sunday Telegraph, edited specifically for expatriates and delivered to your door each week.

Here, every week, you'll find the most important UK and foreign news stories, British politics, business and city news and comprehensive sports coverage, as well as crosswords guaranteed to exercise your intellect. Plus items carefully selected to satisfy your appetite for UK information, such as the cost of living, UK property, education, employment and tax and financial advice.

A skilful combination of incisive hard-news reporting, together with features which are both valuably informative and entertaining, make staying aware of what's happening at home a pleasure. And the good news is our special launch offer gives you four issues absolutely free with your first year's subscription.

If you're still not convinced that the new Weekly Telegraph is indispensable in your life, during the launch period only you can choose to subscribe for a trial period of thirteen issues.

The Weekly Telegraph — The British newspaper that works abroad

The British newspaper that works abroad.

So, stop missing what's happening in Britain and place your order now, simply by completing and returning the coupon below, together with your payment, to: The Weekly Telegraph, PO Box 14, Harold Hill, Romford RM3 8EQ, Great Britain.

Alternatively, 'phone your order through by calling us on (44) 4023 81000, or fax it on (44) 4023 81211.

SUBSCRIPTION ORDER FORM

I don't want to miss what's going on in Britain anymore. I want to subscribe NOW. Please send The Weekly Telegraph to me at the address below.

Mr/Mrs/Miss/Ms/other ______ Initials ______
Surname ______
Address ______
Code ______
Country ______

I would like to subscribe to The Weekly Telegraph for

	52 issues + 4 free	13 issues
Europe, USA	£65 ☐ US$125 ☐	£19.95 ☐ US$37.95 ☐
Canada, Hong Kong, Singapore, Middle East, South Africa	£75 ☐ Can. $150 ☐	£21.95 ☐ Can. $43.95 ☐
Rest of the World	£85 ☐	£24.50 ☐

I enclose my payment made payable to: The Daily Telegraph plc, by:
UK Bank Cheque ☐ Banker's Draft ☐ International Money Order ☐
I would like to pay by credit card.
Please charge my ACCESS/MASTERCARD ☐ VISA ☐
Card Number. ______
Expiry Date ______

Now post this coupon, with your payment, to: The Weekly Telegraph, PO Box 14, Harold Hill, Romford, Essex RM3 8EQ, Great Britain.

Occasionally, we or other companies approved by us, may wish to make you further offers. If you do not wish to receive these, tick here. ☐ No. PA 474

Registered Address: The Daily Telegraph plc. Registered in England No. 451593. Registered office: 181 Marsh Wall, London E14 9SR.

The Weekly Telegraph launches on 16th July 1991, but order early to ensure you receive the first issue.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, June 21.

Stock	Div	Yld	Sales in 100s	High	Low	Close	Net Ch'ge
A							
A&W Bd	.40	1.2	792	35¼	34¼	34½	— ½
ABS	.32	5.6	41	6¼	5¾	5¾	
ACC Co	.16	1.5	1104	10⅝	10½	10½	— ½
ADC			4930	41	38	39¾	— ¾
ADT		†	15271	13	11½	11¾	—1¼
AEL			421	6⅞	6⅛	6⅛	
AEP			54	13½	11¾	13¼	— ¼
ASK			2666	8¾	7½	7¾	— ½
AST s			48456	22¾	19¾	20½	—2¾
AamRt	.10	1.1	42	10	9¾	9½	
AbingB			39	4¼	4¼	4¼	
Abrams	.20	6.2	150	3¼	3	3¼	+ ⅛
Accel	.24	2.6	181	9½	9	9¼	+ ⅛
Acclaim			2901	3⅝	3	3⅝	— ⅛
Acelo	.28	2.3	1015	12¾	12	12¼	— ¼
Acmi a			24	7¾	6⅞	7¾	+ ½
AcmeSt			164	15	13½	14	+ ¼
ActARt			6247	2	1½	1⅞	+ ⅜
Actiom			808	12¾	11	11	—1
AdacLb			2772	2⅞	1⅝	1⅞	— ⅛
Adage s			223	9½	8¾	9	
Adapt			6027	12¼	11	11⅝	— ¾
Adingt s			2761	8½	7½	8	+ ⅛
AdiaSv	.16	.8	51	20½	19¾	20⅛	+ ⅜
AdobeS	.32	.6	29834	55	49¾	50⅛	—2⅛
Adtec			344	2¼	2⅛	2¼	
AdvRes			113	9¾	9¼	9¼	— ¼
AdvCir s			2836	8¾	8¼	8⅝	— ⅛
AdvLog			4722	12¼	11¼	11¼	+ ½
AdvMag			113	22½	20½	22½	
AdMkSv			52	2⅝	2⅜	2⅝	
AdvPolv			5604	4⅝	4	4⅝	+ ⅛
AdvSem			112	4	3⅞	3⅞	— ½
AdvTel			2927	24¼	22¾	22¾	— ⅝
Advanta	.20	1.1	3028	19¾	16½	17½	—2
AdvoSy			6179	22¾	19¾	19¾	—2¾
AeqisG	.25e	4.8	1	5¼	5¼	5¼	—1¼
Aegon	1.63r	2.7	136	59½	58¾	59½	— ½
Aequitrn			933	3½	3⅜	3¼	— ¼
AerSysI			479	½		⅜	— ⅛
Aerovx			759	7¼	7¼	7¼	— ½
AffBcCp			124	¾	½	¾	+ ⅛
AffBsh	.08e	.5	1845	17⅞	17⅜	17⅜	+ ⅛
AgncyR			3023	9	8½	8⅝	— ⅛
Agnico g	.20	4.3	1518	5½	4⅝	4⅝	— ⅞
Agourn			268	14¼	13¼	13¼	— ⅝
Ahold			1111	41⅞	41	41	— ¾
Aicorp			1493	6¾	6	6¾	
AirMd			1207	9¼	8¾	9⅛	+ ⅛
AirWisc			1065	10⅛	9⅞	10⅛	— ⅛
Airtran	.20	2.0	2362	10⅛	9¾	10⅛	— ½
Akorn	.07	2.9	1318	2⅝	2⅛	2⅜	— ⅛
Akzo	1.37e	4.8	1937	29⅛	28⅝	28⅞	— ½
Alafen	1.10	7.6	1059	15¾	14½	14½	—1¼
Aldus			15772	46¼	39¼	43¼	—2½
AlexBr	.28	1.7	5328	16⅛	16⅛	16⅛	
AlexBld	.88	3.6	2821	25⅛	23¾	24⅜	— ¾
AlfaCp	.44	3.8	95	12¾	11½	11⅝	+ ⅛
AllasR			2930	26	20⅝	21⅜	—4¼
Alico	.15	.7	66	22	20⅝	21	—1
AllAm s			170	1¼	1⅛	1⅛	— ⅛
AllCity			9	5⅞	5⅝	5⅝	
AlegW			496	5⅝	4⅞	4⅞	— ¾
AlnOrg	.40a	1.2	1	34	34	34	
AllonPh			2027	15	14	14	— ¾
Allont h			493	1⅛	⅞	⅞	— ⅜
AlldBk	.32	4.9	4	6¾	6½	6½	
AlldCap	1.29e	7.6	552	17¼	16½	17	— ½
AldCall	1.00e	6.0	774	17	16	16¾	— ¼
AlldCl			1692	23¼	22¼	23¼	+1
AlldGp	.56	3.2	23	17⅝	17½	17½	
AlldRsh			2008	16¼	14	15	+1
AlistFn			2517	11⅞	8⅞	11⅛	+2¼
Allwst			8306	4¾	4¼	4½	— ¼
Aloette	.32	2.6	178	13⅛	12	12¼	—1
AlpMic			870	3	2⅝	2⅝	+ ⅛
Alphart			2990	2⅛	1⅞	2⅛	— ⅞
AlpLce			1041	6⅞	6	6½	— ⅜
AltaGld			4383	1⅝	⅞	1	— ⅞
AltaHlt			1861	13	12½	13	
Altai			5	2½	1¾	2½	+ ⅜
Altera			8540	18⅝	16	16	—1½
Altron			23	4¾	4⅝	4⅝	
Amvest			459	2¼	2	2¼	+ ⅛
AmcorF	.56	3.7	139	15½	15	15¼	+ ⅛
Amrion	.56	4.7	165	12	11½	12	+ ½
Amerbc			216	2⅞	2⅜	2⅞	+ ⅜
AFFMf2	1.99e	30.6	829	6¾	6½	6½	— ⅛
AFFF	1.50	7.7	1247	20½	19½	19½	—1
AmFPr	1.30	10.6	876	12¼	11⅞	12¼	
AFTxE	1.00	11.4	354	9⅞	8⅝	8¾	
AFTxE2	1.28	13.5	298	10	9½	9½	— ¼
AWAirl			32011	4¼	3⅜	3⅝	— ⅝
AmBcp	1.00e	4.8	15	21	18	21	+3
ABnkr	.60	3.8	2851	16⅛	15½	16	+ ½
AmCity			33	17⅞	17½	17½	— ½
AClam s			70	6¼	5¾	6	— ½
AColoid	.44	5.2	46	9⅛	8½	8½	—1
AConsu			1113	3⅝	2⅞	3⅛	
AmDntl			23129	15⅞	13¾	14	
AmEcol			552	14	13¼	13¼	— ¾
AFilm			4726	5½	4⅝	5½	+ ¼
AFltm	.90	3.9	19	23	21	23	+ ⅞
AGreet	.70	2.0	28540	37¾	35	35⅜	—2⅝
AHitSv			4265	1⅞	1⅝	1⅞	+ ⅛
AIndF	.08	1.1	124	7	6½	7	
AmIntg			746	4⅝	4⅛	4⅛	— ⅝
AmLck			3	2⅝	2⅝	2⅝	— ⅝
AMS			1420	21½	19¾	20½	— ⅞
AMedE s			1544	12¼	11¾	12	— ¼
ANtins	1.72	5.0	497	34¼	33	34¼	+ ¾
ANuclC			903	2⅝	1⅞	2⅝	+ ⅝
AmNurs			498	1⅞	1¾	1¾	— ⅛
AmPac			1235	12⅛	11⅜	11⅝	— ⅜
APhyG			327	1⅝	1⅜	1½	+ ⅛
APwCv s			3082	23⅝	21	22½	— ⅝
ARepBc			294	6⅛	5¾	5¾	+ ⅛
AmRice			6	⅜	⅜	⅜	+ ⅛
ASoft s	.24	1.8	3088	14⅛	13	13½	— ⅝
AmSlf			311	2⅝	2	2	— ½
ATvCm			7687	41½	38⅛	38½	—2½
ATrav s			2686	13	12¼	12¼	— ⅝
AWood			3	3⅛	3⅛	3⅛	— ⅛
AmAll	.21e	5.2	678	4⅝	4	4⅛	— ⅝
Ameritr	.64	3.0	23778	22⅛	21⅛	21⅜	+ ½
Ampen s			13789	21¼	15	17¼	— ¼
Amistar			27	1⅞	1	1	
AmtyBc			50	2⅛	2	2⅛	— ¼
Amoskg			665	9½	8¾	8¾	— ¾
Amplcn			2	15	15	15	
Amserv		†	302	3⅝	3½	3⅝	+ ⅛
AmtcCp			323	13¼	13¼	13¼	— ¼
Anlogic			739	11¼	10⅞	10⅞	— ⅛
AnalyTc	.19	1.5	227	13⅛	12½	12⅝	
Analy	.56	3.4	1869	17	16¼	16½	— ¼
Anangel	.90e	5.9	4139	16	15	15¼	— ⅜
Anaren			20	3⅜	3⅛	3¼	— ¼
AnchBc			1179	2⅝	2⅝	2⅝	— ⅛
AndrGr			24	8½	8⅜	8⅜	— ⅛
AndvBc			291	3⅞	3⅛	3⅝	— ⅛
AndvTg			7	2⅞	2⅜	2⅝	— ⅛
Andrew			1156	34½	31¾	32¾	—1½
Andros			1028	7⅝	6¾	7	— ¾
Aperlus			627	1⅞	1½	1⅜	— ⅛
ApogEn	.26	1.9	1545	13½	13	13⅞	+ ⅝
Applan			2405	⅞		¾	— ⅛
AppleC	.48	1.1	83954	43¼	40⅞	42	+ ⅞
Aplebee	.04e	.4	740	12¼	10¼	10¼	—1
ApdExtr			1194	9⅝	9	9	— ⅜
ABiosc s			3935	32½	30¼	32	+1¼
AplidBio			10688	13⅝	10⅜	12⅛	+ ½
Apdimu			569	13½	12¼	12⅞	—1
AplidMt			10413	33¾	29⅞	30¼	—2½
AplPw	.12	.7	995	16½	15¼	16¼	+1
AplSir			472	5¾	4⅝	4⅝	
ArabSh			372	2⅞	1⅞	1⅞	
Arbor s	.14	.7	2218	18⅝	17¾	18¼	+ ¼
Archive			1952	7⅝	6⅞	6⅞	— ¾
Arctco			1419	8⅛	7⅝	8	+ ⅛
Arden			133	36	34	35	—1
ArgoGp s	.68	2.4	1173	29⅝	28¼	28¼	— ¼
Aritch			346	2⅞	2⅝	2⅝	+ ⅛
ARIX			2495	3⅛	2⅝	2⅝	— ⅜
ArkoFt			5571	33½	23	27½	—5⅝
Armor	.48	5.2	43	9¾	9	9¼	— ⅛
Arnold	1.20	2.1	303	59	56	57	—1⅛
ArowFn	.40	4.8	151	9	8¼	8⅝	— ⅝
Artel			429	2⅛	1½	2	
ArtstG s			1200	10⅝	8¼	9¼	+ ¼
ArtWay	.40	3.5	49	11⅛	10½	11½	+ ½
Ashton			13136	11⅛	10⅜	10⅛	— ⅝
Aslomr			3754	4⅝	4⅛	4⅛	— ⅛
AspctTl			1670	8	7	7⅛	— ⅝
Aspnlm			144	1⅝	1½	1½	+ ⅛
Assix			858	3	2⅝	2⅝	+ ⅛
AsdBnc	.80	2.9	918	28⅜	26⅞	27¼	—1
AsdCmA s			100	16½	14½	15	—1½
AsdCmB s			530	16¼	14½	14⅝	— ⅜
Astec			142	5½	5¼	5¼	— ⅛
AstrM s	.03e	.2	642	15¼	14½	15	+ ⅜
Astron			57	2	1⅞	2	+ ⅛
Astrosy			34	3⅞	3½	3⅝	+ ⅛
Atek			5	3⅜	3¼	3⅜	+ ⅛
Athey			41	6	4⅝	5	— ⅛
Atkinsn			324	9¼	8¼	8½	— ⅝
AtlAm			82	1⅞	1¼	1¼	— ⅛
AtlSeAr	.60	1.7	1405	35¼	34	34⅝	— ¼
Atmel			25124	14¼	11¾	12	—3⅜
AtwdOc			141	10½	10	10¼	— ¼
AuBon			7492	13⅛	12	12⅜	— ⅜
AuraSy			17470	7⅞	6½	6¾	— ⅝
AufTrT		†	1	1⅛	1⅛	1⅛	
Autolnf			1684	5⅝	4⅞	5	+ ⅛
Autoclv	.24	3.3	168	7⅝	7⅛	7⅜	— ⅛
Autodk	.48	.8	13956	62⅝	57½	57½	—2⅞
Autodie			141	2⅝	2½	2½	— ⅛
AutSec			7835	7⅛	6⅝	6⅞	— ⅛
AutoCp		†	101	12	10½	12	+1
Avntek			1589	2⅝	2⅛	2⅝	+ ⅜
Avatar			181	18⅛	18⅛	18⅛	
Avndle			2059	4⅞	3⅝	3¾	— ⅝
Aztar			28853	6⅝	5⅞	6⅛	+ ⅜
AztcM	.10b	2.5	1158	5	3⅝	4	— ⅞
B							
BH Bulk			106	2⅝	2⅝	2½	— ⅛
BB&T s	.84	4.0	1989	20¾	19¾	20¾	+ ¾
BEI El	.08	.8	386	9½	9	9½	+ ½
BEI			423	4⅝	4½	4⅝	+ ⅛
BF Ent			138	3⅛	2⅝	3	
BFS NY			11	4⅝	4⅝	4⅝	— ⅛
BGS	.60a	2.1	1122	29	27⅝	29	+1⅜
BHA			1006	17	16	17	+ ½
BHA B			172	17	15⅝	17	+1⅜
BI Inc			4424	11⅛	8⅝	9⅛	—1⅝
BKLA			3	4⅛	4⅛	4⅛	— ⅛
BMC Sft			4548	39⅞	37⅛	38⅞	— ½
BMJ	.40	4.7	4	8½	8½	8½	+ ⅜
BMR Fn			13	4½	4	4½	+ ⅛
BNH			232	3⅛	2⅝	3	— ⅛
BSB Bcp	.72	5.1	310	15	14¼	14¼	—1
BT Fin	.88	6.2	26	14½	14¼	14¼	— ¼
BT Shp	.50r	6.5	595	8	7½	7⅝	— ⅜
BTR	.08	2.9	270	3	2⅝	2⅝	— ⅛
BTU Inl			616	1⅝	1½	1⅝	+ ⅛
BWIP			4167	14¼	13⅞	14	— ¼
Babage			238	11⅜	11¼	11¼	— ⅛
BadgrP	.60a	3.0	125	22	20⅞	22	+1
Bailey			444	1½	1⅛	1½	— ⅛
BkHg wt			3977	4⅞	4⅛	4¼	— ⅝
BakerJ	.06	.5	21961	12⅝	10⅛	12⅝	+2⅛
Baldwn s			220	10⅛	7⅝	9⅝	—1¼
BaldLy	.30	1.2	2	24	24	24	—2
BaldPlo			133	11	10⅝	11	+ ½
Ballard s	.07	.2	2620	35⅜	31⅝	34½	— ⅜
Baltek	.15	2.8	61	5⅝	5	5⅝	+ ⅝
BanPn s	.80	4.4	894	18½	18	18⅛	
BcOne pfC	3.50	6.5	881	53⅞	53	53½	— ⅛
BcMiss	.92	3.8	46	24½	23⅝	24½	+1½
BcpNJ	.48	5.3	79	9⅛	9	9	—1
Banctec			778	13⅛	11⅜	12⅝	— ⅛
BandoM	.88	9.2	329	9⅞	9	9½	
BangH	1.28	8.5	1755	15⅛	14⅝	15	
BkSou	.52	7.8	4830	6¾	5⅞	6⅝	+ ⅛
BkGran	.44	2.1	24	21½	20⅞	21	— ¼
BnkNH			92	6	5⅜	5¾	— ⅛
BkSPed		†	6	6⅛	6⅛	6⅛	+ ⅛
BankAtl			9	1⅝	1	1	— ⅛
BkWorc			768	7⅛	6⅛	6½	— ½
vjBkest			1446				— ⅛
Bankrs	.52	3.3	463	16¼	15⅞	16	+ ⅛
BnkFst			32	5½	5⅞	5⅞	
BkrNte			77	⅞	¾	⅞	
Banknth			299	10⅜	10	10	— ⅜
BkMAm			5	9⅝	9¼	9⅝	— ⅛
Banta	.56	2.8	882	28¾	28	28⅝	— ⅛
Banyan			193	⅞	¾	⅞	+ ⅛
Bany II			222	¾	⅝	¾	+
Banyn III			260	⅞	¾	¾	— ⅛
Bany Sl	.51e	15.4	1018	3⅝	3⅛	3⅜	+ ⅛
Barel Rs			2148	4½	3⅝	4⅛	— ⅛
BaryJw			120	1⅜	1⅛	1¼	+ ⅛
BsTnA			1548	2⅝	2	2	— ⅝
BosAm			311	8¼	7½	7½	— ⅝
BosPlr			81	32	28	29½	+2½
BsetF	1.00a	2.6	285	38¾	37¾	38	+ ⅛
BayVw	.60	3.2	1704	19	17	18⅛	+ ⅛
BayBks			4887	16⅝	15	15⅛	—1⅝
Baypr			544	⅜	¼	⅜	
BEAvlon			2547	13¾	12¾	13	+ ⅛
BeauCtl	.26	1.2	847	24	22½	23½	+1½
Beebas	.07e	.8	40	8⅞	8⅛	8⅛	— ⅛
BelFuse			254	3⅝	3¼	3½	
vjBelW s			274	½	⅜	⅜	
Belmrl			29	⅝	⅛	⅛	
BenJer			255	20¼	19¼	19⅝	— ½
Benhan			149	1⅛	1	1	— ⅛
Berkley s	.32	1.1	942	30½	29⅛	29½	—1
BerkGs	1.08	8.3	81	13	13	13	— ⅛
BetzLb s	1.24	2.3	5488	55¼	52⅝	54½	+1½
Big B	.12e	.9	575	14½	13⅝	13⅝	
BioGTr			636	⅜		⅞	—
Bindly	.06e	.4	2118	16	14⅝	14⅝	—1⅛
BiogKg			43	5½	4⅝	4⅝	— ⅝
BioLog s			288	7½	6¾	7⅛	
Biogen			10160	28⅝	26½	27⅝	— ⅜
Biogn wt			721	15¼	14⅝	15¼	— ¼
BlmdDv			845	6⅝	6	6	— ½

(Continued on next page)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, June 21.

(Continued)

[illegible]						

CHICAGO EXCHANGE OPTIONS

Figures as of close of trading Friday, June 21.

[illegible]				

AMERICAN EXCHANGE OPTIONS

Figures as of close of trading Friday, June 21.

[illegible]				

WORLD STOCKS IN REVIEW

Via Agence France-Presse

Amsterdam

Amsterdam stocks lost a bit of ground last week, with the CBS all-share index finishing at 200.30 on Friday, against 201.6 a week earlier.

Kempen & Co. brokerage expects little change in the near term due to lack of news.

Trading volume for the week was 2.9 billion guilders, up from 2.4 billion a week earlier.

The share price of the offshore and dredging company IHC Caland came under pressure after Paribas announced that it had begun selling its 36 percent stake.

Frankfurt

The Frankfurt stock market continued its consolidation, operators said, while waiting for convincing leads for near-term action.

The DAX spot trend indicator finished the week at 1,711.86 points, up 12.03 points — or 0.7 percent — from the previous Friday.

Volume on the eight German exchanges totaled 38.73 billion Deutsche marks for the week, against 34.36 billion the previous week.

Analysts noted that the Bundestag's decision Thursday evening to move the seat of government to Berlin was strongly welcomed by foreign investors, who see it as a positive signal for the German economy as a whole.

MAN was among the week's big winners, adding 24.80 DM to finish at 413.80. Preussag rose 14.80 to 381.

Hong Kong

Share prices were generally lower in a quiet holiday-shortened trading week, the Hang Seng Index losing 74.01 points or 2.03 percent to close Friday at 3,565.14.

Average daily volume dropped to 753 million Hong Kong dollars in the three-day week from 769 million dollars the previous week.

The consensus among brokers was that the Hang Seng is unlikely to log major movements in the new trading week.

London

Share prices finished in sharp decline as the pound's weakness ruled out an early interest rate cut and political and economic worries mounted.

Poor statistics on retail sales and the public deficit in May brought further evidence of the recession's depth, adding to concern that the government may be unable to overcome the Labor Party's lead in time to win the next general election.

The FTSE 100 share index lost 44.8 points on the week to 2,487.5.

Imperial Chemical Industries, possible target of a bid by Hanson, eased after remarks by Lord Hanson appeared to rule out a bid before ICI's interim results.

Milan

The Milan stock exchange's MIB index lost 2.4 percent over the week, ending at 1,154.

Stocks were shaken by indications that the government of Prime Minister Giulio Andreotti, trying to reduce its huge budget deficit, might seek to have companies revalue upward their property holdings for tax purposes.

Paris

The Paris Bourse lost 2.8 percent on the week, as four straight losing sessions were followed by what operators called a technical recovery on Friday. The CAC-40 index ended the week at 1,806.63 points.

Operators said that one negative factor was signs of economic recovery in the United States and strong Japanese growth, which have

Singapore

Trading was dull and featureless throughout the week as major investors stayed on the sidelines.

The key indicator, the Straits Times industrial index, finished at 1,499.06, off 28.44 points from the previous Friday. Volume for the week improved by 11.1 percent to 176.26 million shares.

UIC dominated the trading floor on news that it was selling some Singapore Land shares and other assets to raise funds to reduce its borrowings. The issue saw a total of 6.59 million shares traded and lost 6 cents to 1.05.

Tokyo

Share prices fell sharply on the Tokyo Stock Exchange in extremely thin trading, as prospects of a discount rate cut vanished.

The Nikkei 225 index closed Friday at 24,275.08 points, down 3.3 percent from a week earlier. Daily volume averaged 282.4 million shares, down from the previous week's 326.3 million shares.

A market analyst said the market might liven up in the next few days if the G-7 meeting agrees on exchange rate stabilizing measures.

Zurich

Zurich stocks marked time, as the Swiss Performance Index ended the week at 1,114.9, up 2.1 points from the previous Friday.

The Zurich market welcomed the choice of Berlin as the German capital, and construction stocks rose. Pharmaceutical companies working on AIDS benefited from the congress held in Florence — particularly Immuno, whose stock gained 200 francs to 3,800, and Ciba Geigy, up 60 to 3,090.

EUROPE: *Erecting Walls?*

(Continued from first finance page)

the Community's members over the future of its automobile industry by setting up car plants inside Britain and Spain. Those countries have welcomed the Japanese investments because they have meant the creation, and not the loss, of jobs.

But France and Italy contend that Japanese car "transplants" will ultimately kill their own automobile industries, and they want the transplants taken into account in negotiations that will restrict the number of Japanese cars sold in Europe during the next six years.

The Commission originally wanted to eliminate all quotas in order to achieve the complete unification of the European market.

But now, the establishment of car quotas at the insistence of European countries with auto industries seems bound to escalate demands from other sectors, such as shoes and clothing makers, that are clamoring for at least partial protection from the rigors of free trade.

European governments are also resisting the Commission's efforts to break up national monopolies in areas like energy and telecommunications, which many states insist lie within the realm of "national strategic interests" and must not be subject to Community regulation.

"We will do all we can to prevent the 1992 process from turning into a cover for protectionist measures," said a senior EC official. "But the short-term political considerations of national governments are working against free traders. Politicians want to save jobs at almost any cost because jobs mean votes."

WALL STREET REVIEW

Figures as of close of trading Friday, June 21.

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
PepsiC s	139792	31⅛	29¾	30	−⅞
IBM	126751	101¼	97⅛	99¾	−¾
ColGas	105116	36¾	16½	17⅛	−19¾
PhilMr	89619	67	64⅝	65⅛	−1⅝
AT&T	88821	38	37	38	+⅞
Waste	88507	40¼	37	37⅝	−2
TelMex n	77602	27⅞	25⅛	25⅝	−2
GnMotr	75581	44⅝	42¾	44⅛	−⅛
CmpAsc	72175	11⅝	10	10¼	−⅛
McDonl	69186	33⅜	31¼	32½	−1⅛
RJR Nb n	67839	11⅛	10½	10⅝	−⅛
duPont	63773	48⅝	46½	48¼	+¼
AmExp	60189	24⅝	23¼	23⅝	−⅝
Boeing	60113	49¾	46½	46⅝	−2½
Exxon	59541	58⅝	56¼	58½	+¼
MIN	58979	7⅞	7¼	7½	−⅜
GenEl	57122	75⅝	73¼	75	−⅜
GTE	57078	30⅝	29⅜	29⅝	−¼
WalMt	54508	43½	41⅞	43⅜	
Compq	51600	35½	32½	33⅝	−½
FordM	49766	37¾	36⅛	37⅛	+⅞
Glaxo	48731	42⅞	41	41⅞	−1½
JohnJn	48222	86	83⅝	85½	
FedNM	43251	50¼	48¼	48½	
ProctG	42636	84⅝	79¾	80⅛	−4⅝

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
WangB	35209	4½	3⅞	4	+⅛
EchoBy	13809	9⅛	8½	8⅝	−⅛
ENSCO	10940	3⅛	2⅞	3	
viCrdAr	10789	2	1⅜	1⅞	−⅛
IvaxCp s	10737	28¼	25⅞	27¼	−1⅛
Amdhl	10593	16	15⅛	15⅝	−½
DowC rt	10086	8	7½	7⅝	
Summa	10037	1⅝	¾	1⅛	−½
OMI	7887	8	7	7⅞	+⅞
viLionel	7807	1⅛	¾	1	+⅛
A-dd sc s	7775	12⅞	11⅛	12⅝	+¾
FruitL	7480	15⅞	14⅝	15⅜	+⅞
GrhmFl	7288	7⅛	6⅞	7	
A-ait2 sc	6911	9⅞	8¾	9½	+½
Hasbro	6774	29⅜	28⅛	28½	−⅜
ChDvA s	6333	27	26	26¾	+¾
FAusPr	6250	10⅛	9⅞	9⅞	+⅛
PW Nk pwt	6181	8⅝	7⅜	8⅝	+⅝
Alza	6172	59⅞	54⅞	58⅛	−1⅜
EksNk wt	5918	8⅝	7⅞	8⅛	+⅜
BatOG s	5791	8½	6⅛	8⅝	
PallCp s	5553	35⅞	34⅛	34⅝	−⅝
CtzFst	5496	2⅛	1⅞	2⅛	−⅛
SNk 193wt	5409	18	16⅛	17⅛	+1
Biomag	5142	6⅝	5⅛	5⅛	−1

NYSE Sales

	Sales Vol.
Total for week	808,860,000
Week ago	771,930,000
Year ago	133,470,000
Two years ago	130,720,000
Jan 1 to date	21,910,551,000
1990 to date	18,966,560,000
1989 to date	20,392,460,000

AMEX Sales

	Sales Vol.
Total for week	50,940,000
Week ago	52,670,000
Year ago	11,010,000
Jan 1 to date	1,556,818,000
1990 to date	1,700,980,000

NYSE Diaries

	This Wk	Last Wk
Advanced	664	856
Declined	1243	1058
Unchanged	343	310
Total Issues	2250	2224
New Highs	119	123
New Lows	48	41

AMEX Diaries

	This Wk	Last Wk
Advanced	308	303
Declined	478	456
Unchanged	197	209
Total Issues	983	968
New Highs	39	41
New Lows	29	32

Euromarts At a Glance

Eurobond Yields

	June 19	June 12
U.S. $, 8 yrs & over	8.90	8.87
U.S. $, 5 to 7 yrs	8.42	8.39
U.S. $, less than 5 yrs	7.92	7.84
Pounds sterling, less than 5 yrs	11.33	11.35
French francs, less than 5 yrs	9.35	9.35
Ital. lire, less than 5 yrs	11.94	11.79
Danish kroner, less than 5 yrs	9.89	9.87
ECU, 8 yrs & over	9.16	9.11
ECU, 5 to 7 yrs	9.13	9.08
Can. $, less than 5 yrs	10.37	10.32
Aus. $, less than 5 yrs	11.67	11.59
N.Z. $, less than 5 yrs	10.68	10.67
Yen, 5 to 7 yrs	7.05	7.05
Yen, less than 5 yrs	7.35	7.28

Source: Luxembourg Stock Exchange.

Weekly Sales

June 20

Primary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	273.30	1,465.80	1,354.30	2,919.30
Convert.	20.70	159.60	104.30	57.10
FRNs	180.60	18.80	165.50	261.60
ECP	4,251.70	2,159.90	9,667.70	1,895.20
Total	4,726.30	3,804.10	11,291.80	5,163.20

Secondary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	6,544.30	16,598.50	12,139.40	19,536.20
Convert.	152.10	779.70	522.10	421.60
FRNs	4,037.80	1,142.60	4,470.90	2,659.60
ECP	4,719.50	3,654.30	2,944.30	3,749.50
Total	15,453.70	22,077.10	20,076.70	26,306.90

Source: Euroclear, Cedel.

Libor Rates

June 21

	1-month	3-month	6-month
U.S. $	6	6⅛	6⅜
Deutsche mark	8 15/16	9 1/16	9 3/16
Pound sterling	11⅝	11 3/16	10 15/16
French franc	9⅝	9⅝	9⅝
ECU	9 15/16	9 15/16	10
Yen	8	7 13/16	7⅝

Sources: Lloyds Bank, Reuters.

U.S. Treasury Bonds

June 21

Maturity	Close Bid	Close Ask	Yield	Wk.-ago Yield
31.05.93	99 23/32	99 25/32	6.90	6.97
15.05.94	99 1/32	99 3/32	7.37	7.37
31.05.96	98 23/32	98 25/32	7.94	7.92
15.04.98	98 14/32	98 16/32	8.17	8.15
15.05.01	97 20/32	97 20/32	8.32	8.27
15.02.06	107 4/32	107 8/32	8.51	8.46
15.08.20	95 26/32	95 28/32	8.51	8.46

Source: Salomon Inc.

U.S. Consumer Rates

June 21

Tax Exempt Bonds	
Bond Buyer 20-Bond Index	7.34 %
Money Market Funds	
Donoghue's 7-Day Average	5.48 %
Bank Money Market Accounts	
Bank Rate Monitor Index	5.15 %
Home Mortgage, FHLB average	9.65 %

Source : New York Times Service, UPI.

TO OUR READERS IN SWITZERLAND

It's never been easier to subscribe and save. Just contact us at our Zurich office.

Phone: (01) 481 7200

Fax: (01) 481 8288

Act now for your 45% discount on a subscription to the IHT!

And, as an added bonus, you'll receive free issues - 52 free issues for a 12-month subscription; 26 for a six-month subscription. See the table below for savings and rates.

Call us toll free: France: 05-437 437 Germany: 0130-84 85 85

Country/Currency		12 months (+ 52 free issues)	ONE-YEAR SAVINGS	6 months (+ 26 free issues)	3 months (+ 13 free issues)
Austria	A. Sch.	5,500	3,400	3,000	1,650
— *hand delivery	A. Sch.	5,800	3,300	3,200	1,750
Belgium	B.Fr.	12,000	8,020	6,600	3,600
Denmark	D.Kr.	3,400	968	1,900	1,050
Finland	F.M.	2,200	1,440	1,200	660
France	F.F.	1,700	1,394	935	515
Germany (mail)	D.M.	640	452	352	194
— *hand delivery	D.M.	810	282	416	217
Great Britain	£	175	98	96	53
Greece	Dr.	37,000	23,080	31,400	17,300
Ireland	Dirl	195	133	107	59
Italy	Lire	450,000	350,800	250,000	138,000
Luxembourg	L.Fr.	12,000	8,020	6,600	3,600
Netherlands	Fl.	650	533	360	200
Norway (airmail)	N.Kr.	3,000	1,348	1,650	900
— *hand delivery	N.Kr.	3,200	1,148	1,760	970
Portugal	Esc.	40,000	25,520	22,000	12,100
Spain (mail)	Ptas.	40,000	23,700	22,000	12,100
— **hand deliv Barcelona, Bilbao, Seville, Valencia	Ptas.	43,500	20,200	24,000	13,200
— **hand deliv Madrid	S.Kr.	54,600	—	27,300	13,650
Sweden (airmail)	S.Kr.	2,600	1,404	1,430	785
— *hand delivery	S.Fr.	3,100	904	1,700	935
Switzerland		540	479	295	160
Rest of Europe, N. Africa, former French Africa, Middle East	$	600	Varies by country	330	180
Rest of Africa, Gulf States, Asia Central/Latin America	$	750		412	225

* At these rates, you can get morning hand delivery in the following cities: Berlin, Vienna, Oslo, Stavanger, Stockholm, Goteborg and Malmo. For information concerning special hand-delivery in other major German cities call toll free IHT Germany or 0130-84 85 85 or fax (069) 69.48.94. Rates do not include free issues.
** At these rates, hand delivery is available by morning in Barcelona, the same day in Seville and the next day in Bilbao and Valencia. For Madrid, hand-delivery is available by morning, but without the free issues.

Yes, I want to start receiving the IHT. This is the subscription term I prefer (check appropriate boxes):
☐ 12 Months (364 issues in all with 52 bonus issues). ☐ 6 Months (182 issues in all with 26 bonus issues). ☐ 3 Months (91 issues in all with 13 bonus issues).
☐ My check is enclosed (payable to the International Herald Tribune).
☐ Please charge my: ☐ American Express ☐ Diners Club ☐ VISA ☐ MasterCard ☐ Eurocard ☐ Access

CARD ACCT. NO. ____
EXP. DATE ____ SIGNATURE ____
NAME ____
ADDRESS ____
CITY/CODE ____
COUNTRY ____
TEL ____ FAX ____

24-6-91

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Tel: 33-1-46.37.93.61 Fax: 33-1-46.37.06.51

This offer expires August 31, 1991, and is available to new subscribers only.

International Herald Tribune — Published With The New York Times and The Washington Post

International BusinessWeek

This week's topics:

- Yes To a Strong U.S. Recovery
- Japan's Hot New Export Surge
- Big Slowdown In U.S. R&D
- Pfizer's Winning New Drugs
- Europe and Asia Love Bourbon

Now available at your newsstand!

BusinessWeek International
14, av d'Ouchy, CH-1006 Lausanne Tel. 41-21-617-4411
For subscriptions call Hong Kong (852) 523-2939 or (toll-free) France 1905908514. UK 0800289137. Germany 0130811197. Switzerland 046054863

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

ESCORTS & GUIDES

ZOE PRESENTS

DIPLOMAT
* THE ESCORT AGENCY *
London 071 221 8453
or Freephone 0800 252810
Credit Cards Welcome

MERCEDES
V.I.P. ESCORT AGENCY
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON (071) 351 6666

AT YOUR SERVICE
VIP ESCORT AGENCY LONDON
Now also Los Angeles
All Credit Cards Welcome
071 584 7008

INTL ESCORT SERVICE
The world's most beautiful escorts.
Head office in New York.
1841 Broadway, Ste. 1000, NYC 10023
212-765-7896
Major Credit Cards & Checks Accepted

ESCORTS & GUIDES

CROWN CLUB LTD
NEW YORK ESCORT SERVICE
(212) 686-2271

ZURICH
Caroline Escort Service 01/252 6174

GENEVA * MELODIE
Best Escort Service 461158 Credit Cards

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel: 071-584 6513 Established 18 years.

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/382 05 80

LONDON ELEGANCE ESCORT SERVICE TEL 071 289 2835

ESCORTS & GUIDES

ZURICH
Top Escort Service. Tel: 01/3227609

LONDON BRAZILIAN
Escort Agency 071 724 5597/91, 7 days

MADRID IMPACT ESCORT and Guide Service. Multilingual. Visa. Open 11am - midnight. Tel: 261 4142

TOKYO *** TOP ESCORT SERVICE Major credit cards accepted. Tel: (03) 3436-4598.

VIENNA Day & evening escort service Tel: 56 89 77

MUNICH 98 69 25 Lorraine High Class Escort Service

VIENNA Samantha's Noble Escort Service. Tel: 39 41 11, Day & Evening.

MODEL SCANDINAVIAN & ITALIAN Escort Service London Tel 071 924 3767

ESCORTS & GUIDES

LILI-ANN Private & Discreet Escort Service. London 071 243 0873.

VIENNA BUFFS ESCORT + GUIDE Service, all Austria. Tel: +43/1/713 15 80. Fax: +43/1/713 81 73.

GENEVA *LOVE* Top Escort Service. 022 / 21 99 61

AMSTERDAM LIBERTY ESCORT Service Top Class Lady's Tel: 020-6180604 All Credit cards (also dinner dates).

GENEVA-ROYAL-GENEVA ** VIP-ESCORT-SERVICE ** OPEN 7 DAYS. Tel: 022/49 56 82

- ZURICH - DOMINA LADY JANE Escort Service *** Credit cards. Tel: 01 / 252 73 59. Noon till 9pm.

ARABESQUE ESCORT SERVICE Ladies of impeccable taste & manner Phone London 071 624 7099.

ZURICH NEW High class Escort Service. Tel: 077 / 63 83 32.

SOLO ESCORT discreet sophisticated private Service. London 071 799 2227. Noon to midnight.

FRANKFURT Princess Escort Service, 7 days. Tel: 069 / 666 25 64.

ESCORTS & GUIDES

ROYAL-ESCORT-SERVICE. Charming, noblesse, intelligent, beautiful lady. Tel: 07021 - 744 15 Stuttgart/Germany.

FRANKFURT * NEW * PRIVATE * Most sophisticated Escort Service. Tel: 069 - 497401. Credit cards.

MUNICH 91 23 14 ESCORT & GUIDE AGENCY. THE FRIENDLY SERVICE.

DUSSELDORF-STUTTGART-COLOGNE "Penthouse" High Class Escort Service. The Best in Town. 0211 - 39 83 528

ORIENT JAPANESE CHINESE THAI Escort Service. Days and evenings. Please phone 071 225 3314 London.

FRANKFURT - WIESBADEN New "Test the Best" Escort Service. Tel: 069 - 597 66 66.

BEBA ESCORT AGENCY Established 10 yrs. All areas. London 081 950 9850. Credit cards accepted

"LONDON & PARIS CONNECTION" VIP ROYAL FRENCH & INTL ESCORT SERVICE LONDON. (071) 584 0694

BRUSSELS, CHRISTINA Escort and Travel Service. Tel: 02-511-2272. Credit Cards accepted.

BRUSSELS BACCARA 1st Travel & Escort Service for the discriminating people. 02/374 99 06

BRUSSELS TARA HIGH CLASS ESCORT SERVICE. Tel: 02/538.63.21. Credit cards accepted.

MUNICH MOST EXCLUSIVE Escort Service, beautiful & sofisticated escorts. Call Munich 089-300 36 31.

Disposable Income? Try Dubai's Shops

Dubai's international community enjoys tax-free salaries and per-capita incomes that are among the highest in the world. Retailers have geared up to meet the demand for the luxuries of life that so many in Dubai can afford.

Gold, it is said, costs less in Dubai than anywhere else in the world, and it is certainly one of the best buys in the emirate. If it is gold you are after, then a visit to the Gold Souk is a must. Set in a warren of alleys near the famous Creek of Dubai, it more than earns its place on the tourist trail. Shopkeepers are very helpful and not pushy. Prices are calculated according to the weight and market price of gold. Bargaining is par for the course, and the general rule when shopping in souks is to try to get the price down to half of the original figure quoted.

Dubai has more watch shops than supermarkets

Everybody loves to strike the best bargain, but it is also worth visiting state-of-the-art shopping plazas to soak up the elegance and luxury of the shops and goods.

Another claim to fame for Dubai shopping is that there are more watch shops than supermarkets. The variety of watches for specific occasions — scuba diving, jogging, motorcycling, to name a few — is endless. Prices start at 2 dirhams (50 U.S. cents) in this tax-free city. A personalized or brand-name watch costs substantially more — but the purchase will still be a bargain.

Duty-free shopping at Dubai international airport.

Electronic goods and cameras at very tempting prices are popular buys. There is also a big run on traditional gifts such as Arabic coffeepots, silver and brass swords, *khunjars* (Arabic curved daggers) and worry beads.

Out of town, toward the World Trade Center, the highest building in the Gulf, is Karama, a district with a wide array of small shops and restaurants, and a bonanza for bargain hunters. "Designer label" goods on sale should be treated with caution.

Dubai, which grew from a fishing village to pearling center to a thriving commercial and industrial metropolis, can trace its roots as a trading post to the fourth century B.C. Now a meeting place of East and West, Dubai is safe to move around in and offers an equable and sunny winter climate from November to May.

As if all this were not enough, since 1983 there has been a duty-free shopping complex at Dubai airport, which has attracted award-winning recognition for high-quality products at unbeatable prices. The tastefully refurbished shopping complex offers thousands of bargains to suit all tastes. Travelers now have the chance to win luxury cars, ranging from a Porsche to a Rolls-Royce, in a raffle. Only 1,000 tickets are sold for each car, and more than 40 vehicles have already been won by lucky ticket holders. Last year, duty-free sales topped the $100-million mark, including about $20 million in gold sales. Other best-selling items include cigarettes, perfumes and fragrances, electronics — and sunglasses, which saw a 34-percent increase in sales last year. **Irene Farnsworth**

Expansion, Integration of Port Facilities

In Dubai's fight to retain its lead as key entrepot for the Gulf, its two main ports are being amalgamated under a new single administration, the Dubai Ports Authority. Dubai is an acknowledged leader in the intermodal freight business, especially in the sea-air trade between Europe and the Far East.

Port Rashid is said to be the best and busiest in the Gulf; it includes a five-berth container terminal with computerized container tracking plus general cargo facilities comprising 30 berths and 14 warehouses.

Spread over 2,500 acres (1,012 hectares) with its 67 berths extending more than nine miles, Jebel Ali is the biggest man-made port in the world. Its facilities include terminals for both container and roll-on, roll-off traffic, as well as general and bulk cargoes. Container traffic is running at about half the rate of that at Port Rashid, while general cargo has reached more than a third of Rashid's levels.

Port Rashid has seen a 10-percent increase in container throughput between 1988 and 1990, when numbers reached nearly 614,000. Another 17-percent increase is forecast for this year. There are plans to increase capacity from 750,000 containers a year to more than one million.

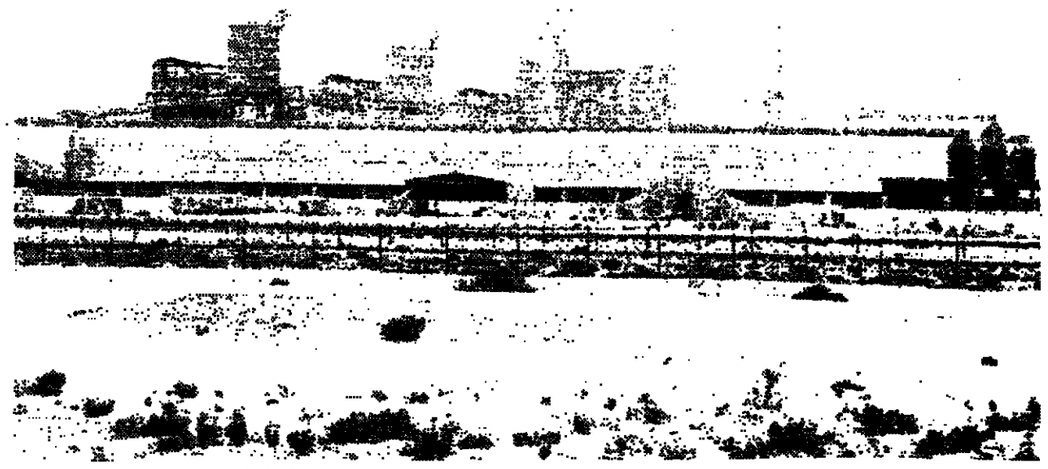
Freight tonnage has also mounted steadily, from 9 million tons in 1988 to 10.2 million last year. The forecast is for 12 million tons for this year.

Dubai dry docks are regarded as the premier ship-repair yard in the Gulf. The dock can handle even the largest tankers in service around the world. They have a laboratory, the only one of its kind between Europe and the Far East, covering all areas of oil-field, marine and industrial examination.

What makes sense about the Jebel Ali port initiative is the free zone in that area, which guarantees no corporate taxes for at least 15 years. Foreign companies are allowed sole ownership of their operations. The zone has so far attracted over 300 companies; there is a considerable contingent from Europe.

The zone and its port represent an investment of about $2.5 billion, according to Ed Bilkey, the free-zone executive director. While most free ports merely hold cargoes to avoid duties, the one at Dubai not only organizes distribution, but has also introduced manufacturing and fabrication. About 40 percent of the companies established in the zone are involved in light manufacturing.

Derek Harris



DUBAL's newly expanded aluminum smelter at Jebel Ali.

Open-Door Policy Lures Foreign Firms

Renowned for its open economy and trading expertise, Dubai is rapidly becoming an industrial center for international and regional companies.

Much of the emirate's industrial growth is taking place at the Jebel Ali Free Zone, where more than 330 firms have decided to set up operations in its 25,000-acre (10,117-hectare) industrial park.

Local manufacturers like the Dubai Aluminium Company, the Dubai Natural Gas Company and the Dubai Cable Company are also expanding their operations in an effort to boost the emirate's export revenues now that the Gulf war has ended.

Jebel Ali Free Zone offers an almost tax-free regime.

One of the latest overseas firms to set up operations in Jebel Ali is International Bechtel, the U.K. subsidiary of the giant California construction conglomerate. International Bechtel has established a procurement office in the zone to serve as a supply center for the materials it will need to help rebuild damaged oil facilities in Kuwait.

Another newcomer to the zone is computer manufacturer AST, also California-based, which has opened a 5,000-square-foot facility in Jebel Ali to serve as its Middle East headquarters.

These companies join many other household names like Sony, Citizen, 3M, Black & Decker, Conoco, Arco, British Petroleum, Caltex, Goldstar, DHL and Union Carbide already operating in Jebel Ali.

These companies have been attracted by the wide range of incentives offered by the Free Zone Authority. Incentives include the possibility of 100-percent foreign ownership — a rarity in a region where most governments require overseas firms to grant local citizens a majority shareholding — and a virtually tax-free regime that includes exemption from corporate tax for 15 years or more.

Companies like Union Carbide, which recently decided to expand its facilities in the zone by building a new large latex-manufacturing plant, find that Jebel Ali is a suitable base for reaching customers in Iran, India, Pakistan and Sri Lanka, as well as elsewhere in the Gulf and Arab states.

Local industries are also expanding their operations in Jebel Ali to reach export markets in Iran, the Indian subcontinent and the Far East.

In May the government announced plans to build a $2-billion oil refinery in the zone; the refinery will have a capacity of about 150,000 barrels a day. Crude-oil feedstocks will be imported to produce petroleum products for export to the Far East and Southeast Asia.

The Dubai Aluminium Company (DUBAL) completed a major expansion program in January when it opened a fourth potline 12 weeks ahead of schedule. This will raise current annual production capacity from 170,000 tons to 240,000 tons. Output last year reached a record 174,000 tons, most of which was exported to Japan and Taiwan.

The Dubai Aluminium Company is also helping to supply technology and services for a new 220,000-ton-a-year aluminum smelter being built at Bandar Abbas in Iran.

The Dubai Natural Gas Company (DUGAS) signed a five-year contract last year with two Japanese companies, C. Itoh & Company and Toyo Menka Kaisha, to supply their natural-gas needs from its plant in Jebel Ali. Current output stands at about 600,000 tons of natural-gas liquids a year.

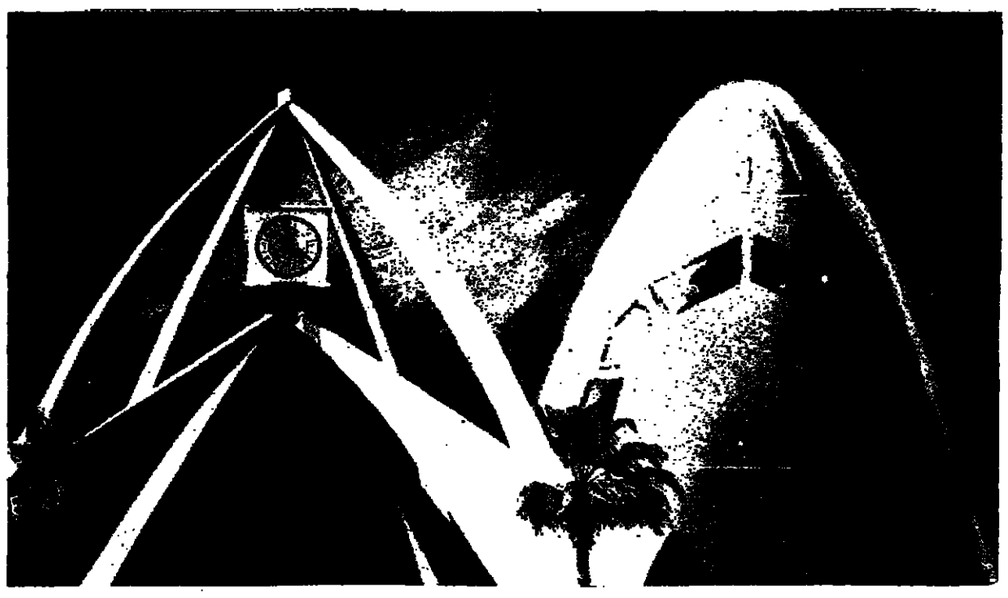
Nearby Emirates Gas, a government-owned firm, recently commissioned the first aerosol-propellant plant in the United Arab Emirates. The plant in Jebel Ali will manufacture ozone-friendly, hydrocarbon-based products which are expected to serve as the basis for local production of toiletries and household goods.

The Dubai Cable Company (DUCAB), a joint venture of the government and the U.K. concern BICC, plans to invest about $25 million to double the capacity of its plant in Jebel Ali within the next year.

Considered one of the emirate's most technologically advanced companies, the Dubai Cable Company specializes in the manufacture of low-tension electrical cables, half of which are exported to the neighboring Gulf states.

Pamela Ann Smith

EMIRATES. REFINING THE SHAPE OF AIR TRAVEL



DUBAI. A PROSPEROUS MARKET FOR ENTERPRISING BUSINESS PEOPLE.

If you regard Dubai's famous Clocktower merely as a landmark en route to another destination, it is more than a pity. It's a missed opportunity.

Dubai has more to commend it as an international marketplace than its ideal position midway between Europe and the Far East. Taxes, transport and energy costs are low. And there's an infectious enthusiasm to do business, a buzz you'll experience in Dubai's cosmopolitan business community.

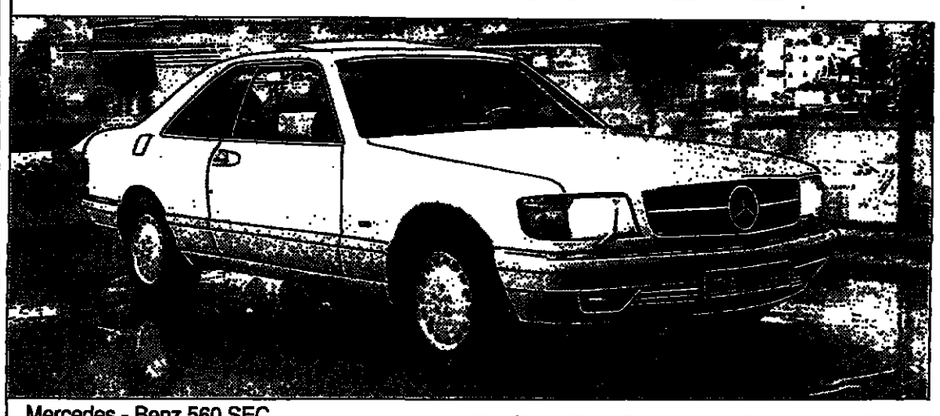
Here business blends easily with pleasure, encouraged by superb hotels, sunsoaked beaches and azure sea. The desert begs to be explored. And the world class Emirates Golf Club is a refreshingly green revelation.

Sophisticated Emirates, Dubai's indigenous airline, provides an unrivalled inflight service. Our aircraft are the latest specification, but our values are unashamedly old-fashioned; an approach to service which leads many passengers to say that Emirates is ***Refining the Shape of Air Travel.***

EMIRATES. THE INTERNATIONAL AIRLINE OF THE UNITED ARAB EMIRATES.
Emirates, P.O. Box 686, Dubai, U.A.E. Telephone: 215544.
125 Pall Mall, London SW1Y 5AE. Telephone: 071-930 5356.
Schuhinsstrasse 3, 4th Floor, 6000 Frankfurt/Main. Telephone: 0069-746621
New Delhi, Amman, Bandar Abbas, Bangkok, Bombay, Cairo, Colombo, Damascus, Delhi, Dhaka, Dubai, Frankfurt, Hong Kong, Istanbul, Jeddah, Karachi, Kuwait, London, Male, Manchester, Manila, Riyadh, Singapore, Tehran

Emirates

DUBAI DUTY FREE'S FINEST SURPRISE CONTINUES...



Mercedes - Benz 560 SEC

YOUR OPPORTUNITY TO WIN THE WORLD'S FINEST CAR AT THE WORLD'S FINEST DUTY FREE

Tickets are priced at Dhs. 500/US$ 138 and limited to 1000 bonafide departing and transit travellers.
The draw date and winning number will be published in the international press and the car will be shipped to any part of the world free of charge.

The finest collection at the world's most elegant duty free.

For The World's Finest. Fly-Buy-Dubai — السوق الحرة - دبي DUBAI DUTY FREE

CONGRATULATIONS !
DUBAI DUTY FREE'S FINEST SURPRISE WINNER

MR. ABDUL SALAM AL MAJDELY (Ticket No. 42724)
of P.O. Box 27531, Safat 13136, Kuwait,
winner of the BMW 750il who travelled Kuwait Airways.
Dubai/Kuwait on 8th June 1991.

MONDAY SPORTS

Mazda Gives Japanese First Le Mans Victory as Mercedes Break Down

The Associated Press

LE MANS, France — A Mazda became the first Japanese car to win the Le Mans 24-hour race Sunday when a broken belt three hours from the finish stopped the Mercedes that had led for about eight hours.

The rotary-powered Mazda was driven by Bertrand Gachot of Belgium, Johnny Herbert of Britain and Volker Weidler of Germany.

The Mercedes driven by Jean-Louis Schesser and Alain Ferté of France and Germany's Jochen Mass had held first place from the sixth until the 21st hour. But with a four-lap, 15-minute margin over the Mazda, a water-pump belt broke, affecting the alternator. That kept the Mercedes in the pits for more than a half-hour before it returned for a lap, then went out for good.

A Jaguar driven by the American Davy Jones, Raul Boesel of Brazil and Michel Ferté of France finished second, two laps behind. Jaguars also came in third and fourth, with Mazdas sixth and eighth.

No Japanese car had previously won the Le Mans race, although Mazda had won smaller class divisions six times. Mazda's best previous overall finish at Le Mans was seventh in 1987 and 1989.

Mercedes dominated this race through the first 21 hours, with its three cars near the top for the first half before problems struck.

The first Mercedes went out shortly after running over some debris. Another, driven by Germany's Michael Schumacher and Fritz Kreutzpointer and Austria's Karl Wendlinger, did well until about dawn, when a rebuilt gearbox dropped it from second to eighth before it climbed back to fifth.

There were just 17 finishers of a starting field of 38.

The winning Mazda averaged 127 miles per hour (205 kph) in completing 362 laps, or 3,058.9 miles.

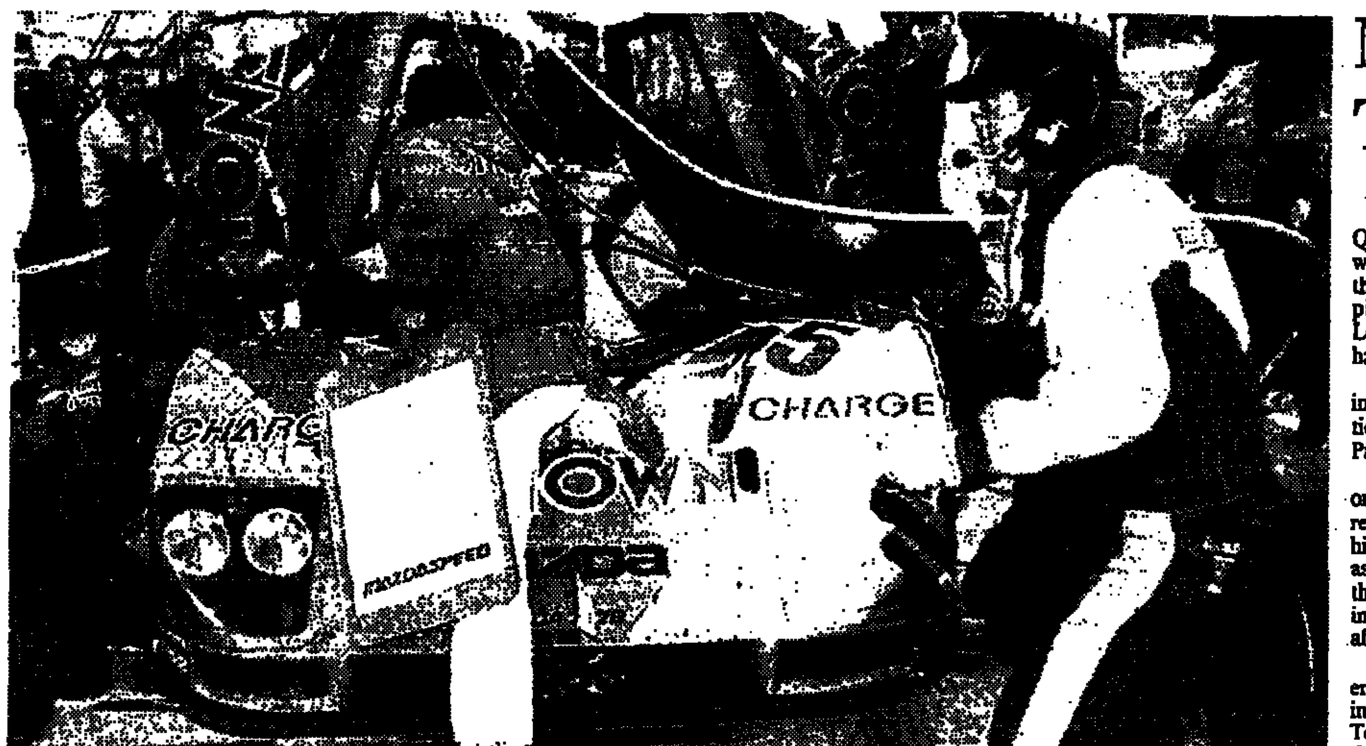
The distance was better than the winning Jaguar's distance of 3,034 miles in 1990, the first year on the new 8.45-mile circuit with two chicanes, or small curves.

Schumacher, 21, ran the fastest lap of the race shortly after dark. He went around the circuit in 3 minutes, 35.564 seconds, at better than 141 mph. Last year's best lap was the 3:40 turned in by a Nissan. That Japanese company did not compete this year.

Jacky Ickx, the Belgian who won Le Mans six times and who has been Mazda's consultant team-manager for the last two years, credited his three drivers for the victory.

"Bertrand, Johnny and Volker did a really beautiful job," Ickx said. "They understood immediately what was the goal in endurance racing and fuel consumption."

Herbert, who three years ago shattered his ankles in an accident during a Formula 3000 race at Brands Hatch, England, said, "I think I've proved I'm fit. I've just won Le Mans, which is almost a whole Grand Prix season in itself."



Agence France-Presse

The pit crew of the winning Mazda rushed to service the car when it made a brief stop earlier in the 24-hour race at Le Mans, France.

Bossy and Potvin Elected to the Hockey Hall of Fame

United Press International

BUFFALO, New York — Mike Bossy and Denis Potvin, two members of the New York Islanders' four consecutive Stanley Cup championship teams in the early 1980s, are among four men who have been elected to the Hockey Hall of Fame.

They were joined by Bob Pulford, former player and coach, and Clint Smith, a former player elected Friday in the veterans' category.

Bossy had 573 career goals with the Islanders and played in seven All-Star games during his 10-year career. He scored 53 goals in 1977-78, a record for a rookie, and won the Calder Trophy for rookie of the year. He scored 50 or more goals in a record nine straight seasons and shares the record of five 60-goal seasons with Wayne Gretzky.

Potvin, a nine-time All-Star, is the all-time leader in goals (310), assists (742) and points (1,060) by a defenseman. He won the Calder Trophy in 1973-74 and three Norris trophies as the National Hockey League's top defenseman during his 15-year career.

Pulford spent 14 of his 16 playing seasons with the Toronto Maple Leafs, playing on four Stanley Cup winners. He finished up with the Los Angeles Kings, and was hired as their coach in 1972.

Smith played 11 seasons with the New York Rangers and Chicago Blackhawks. He scored a career-high 72 points with Chicago in 1943-44 and teamed with the wingers Bill Mosienko and Doug Bentley to form the league's highest-scoring line at the time.

No. 1 NHL Draft Pick: The Reluctant Lindros

Compiled by Our Staff From Dispatches

BUFFALO, New York — The Quebec Nordiques did exactly what they said they would do — they made Eric Lindros the No. 1 pick at the National Hockey League's entry draft. Now all they have to do is sign him.

"I'm confident if we use our imagination, we can find a solution," their general manager, Pierre Page, said after Saturday's draft.

But getting Lindros's signature on a contract is another matter. He reiterated that he hadn't made up his mind yet about his future and, as a symbolic statement, passed on the usual draft-day ritual by refusing to put on a Nordiques jersey after his name was announced.

Lindros, 18, has said he has several options other than the NHL, including the Canadian Olympic Team as well as two new leagues, the Continental Hockey Association and the North American Hockey League. His agent, Rick Curran, said the 6-foot, 5-inch, 228-pound center (2 meters, 103.5 kilograms) had received a lucrative offer from the CHA.

Lindros had 71 goals and 78 assists for 149 points in only 57 games for Oshawa in the Ontario Hockey League and was named the Canadian Hockey League player of the year. He also led Canada to its second straight world junior title.

His selection led a first-round flood of Canadian juniors, the leading source of talent for the NHL. Fourteen of the 22 first-rounders were Canadian junior players *(see Scoreboard)*, including the first three picks and six of the first 10.

The second pick was Pat Falloon, a Canadian-born right wing who played for Spokane of the Western Hockey League and scored 64 goals in 61 games. He was drafted by the San Jose Sharks, an expansion team that begins operations this autumn.

Defenseman Scott Niedermayer was picked third, by the New Jersey Devils.

The fourth and fifth picks went according to form, with defenseman Scott Lachance from Boston University, the first American-born player picked, going to the New York Islanders and defenseman Aaron Ward from the University of Michigan going to Winnipeg.

After that, the surprises began.

Philadelphia took the Swedish center Peter Forsberg. Vancouver, picking seventh, took right wing Alex Stojanov from Hamilton in the Ontario Hockey League, and New Jersey took center Brian Rolston of Detroit Compuware, a Tier II junior league, as the overall No. 11 pick. All three had been rated much lower by the NHL's Central Scouting Bureau.

Another early surprise was that five European players, including Alexei Kovalev of Dynamo Moscow, were taken in the first round. The New York Rangers, drafting 15th, made the right wing the first Soviet player ever taken in the opening round of the draft.

Pittsburgh then selected the Swedish right wing Markus Naslund; Calgary, with the 19th pick, took another Swedish right wing, Niklas Sundblad, and Edmonton, with the 20th pick, chose the Czechoslovak left wing Martin Rucinsky. *(AP, NYT)*

SCOREBOARD

BASEBALL

Major League Standings

(Through Saturday's Games)

AMERICAN LEAGUE

East Division

	W	L	Pct.	GB
Boston	36	30	.545	—
Toronto	37	31	.544	—
Detroit	32	35	.478	4½
Milwaukee	30	36	.455	6
New York	27	36	.429	7½
Baltimore	24	41	.369	11½
Cleveland	23	41	.359	12

West Division

	W	L	Pct.	GB
Minnesota	42	26	.618	—
Oakland	38	30	.559	4
California	37	30	.552	4½
Seattle	37	30	.552	4½
Texas	34	29	.540	5½
Chicago	32	33	.492	8½
Kansas City	32	33	.492	8½

NATIONAL LEAGUE

East Division

	W	L	Pct.	GB
Pittsburgh	40	25	.615	—
St. Louis	36	30	.545	4½
New York	35	31	.530	5½
Montreal	33	35	.485	8½
Chicago	31	37	.456	10½
Philadelphia	30	38	.441	11½

West Division

	W	L	Pct.	GB
Los Angeles	41	26	.612	—
Cincinnati	35	32	.522	6
Atlanta	33	32	.508	7
San Diego	35	34	.507	7
San Francisco	28	41	.406	14
Houston	26	42	.382	15½

Friday's Line Scores

AMERICAN LEAGUE

Cleveland 120 010 000—4 6 0
Toronto 400 020 02x—8 14 3
Swindell, Jones (8) and Skinner; Wells, Ward (9), Henke (9) and Borders. W—Wells, 8-4. L—Swindell, 3-6. Sv—Henke (10). HRs—Cleveland, James (4). Toronto, Carter (15), Sprague (2).

California 000 010 010—2 10 0
Detroit 000 213 20x—8 8 0
McCaskill, Bailes (6), Robinson (6) and Tingley, Orton (7); Gullickson and Tettleton. W—Gullickson, 9-3. L—McCaskill, 6-8. HRs—Detroit, Tettleton 2 (9), Fryman (7), Deer (14).

Oakland 001 000 010—2 11 1
Boston 200 001 00x—3 7 0
Moore and Steinbach; Bolton, Reardon (8) and Pena. W—Bolton, 7-4. L—Moore, 8-6. Sv—Reardon (19). HRs—Oakland, Canseco (16). Boston, Rivera (4).

Minnesota 100 400 000—5 11 1
New York 020 000 200—4 11 0
Guthrie, Bedrosian (8), Aguilera (9) and Harper; Sanderson, Cadaret (6), Habyan (9) and Geren, Nokes (9). W—Guthrie, 5-3. L—Sanderson, 7-3. Sv—Aguilera (18). HRs—Minnesota, Gladden (4). New York, Mattingly (6).

Seattle 200 003 000—5 9 0
Milwaukee 000 000 001—1 4 1
Johnson, Burba (9) and Bradley; Bosio, Machado (7), Brown (8), Crim (9) and Surhoff. W—Johnson, 5-6. L—Bosio, 5-7. HR—Milwaukee, Stubbs (4).

Texas 010 200 002 00—5 9 1
Chicago 000 000 221 01—6 9 0
(11 innings)
Ryan, Rogers (6), Mathews (7), Jeffcoat (7), Je.Russell (8), Schiraldi (10) and Rodriguez; Garcia, Pall (9), Radinsky (9), Thigpen (10), Patterson (11) and Merullo, Fisk (7). W—Patterson, 2-0. L—Schiraldi, 0-1. HRs—Texas, Franco (9). Chicago, Grebeck (3), Fisk (4).

Baltimore at Kansas City, ppd., rain

NATIONAL LEAGUE

Houston 000 000 000—0 4 0
Philadelphia 000 003 00x—3 5 0
Portugal, Osuna (8) and Nichols; Ruffin, Mi. Williams (9) and Daulton. W—Ruffin, 1-0. L—Portugal, 6-3. Sv—Mi. Williams (12). HR—Philadelphia, Morandini (1).

Montreal 000 200 010—3 6 1
Cincinnati 200 230 00x—7 9 0
Haney, Burke (5), Sampen (8) and Fitzgerald; Scudder, Power (8), Myers (9) and Oliver. W—Scudder, 2-3. L—Haney, 0-1. HRs—Montreal, Calderon (9). Cincinnati, Sabo 2 (10), Oliver (1).

New York 020 000 000—2 5 1
Atlanta 000 301 00x—4 8 0
Viola, Innis (8) and Cerone; Leibrandt, Berenguer (8) and Heath. W—Leibrandt, 6-5. L—Viola, 7-5. Sv—Berenguer (9). HR—Atlanta, Hunter (4).

San Diego 000 020 100—3 11 0
St. Louis 000 001 201—4 8 0
Rasmussen, Rodriguez (7), Andersen (8) and Santiago; B. Smith, Terry (8), Agosto (9) and Pagnozzi. W—Agosto, 5-1. L—Andersen, 2-1.

Chicago 000 000 101—2 12 0
San Francisco 000 000 22x—4 6 0
G. Maddux, Assenmacher (8), Do. Smith (8) and Villanueva, Wilkins (7); Black, Downs (7), Robinson (8), Righetti (8) and Kennedy. W—Downs, 4-4. L—G. Maddux, 6-5. Sv—Righetti (9). HR—San Francisco, Kennedy (1).

Pittsburgh 000 020 111—5 10 1
Los Angeles 100 000 000—1 9 1
Walk, Patterson (7), Landrum (8), Kipper (9) and Slaught; Ojeda, Hartley (8) and Scioscia. W—Walk, 5-0. L—Ojeda, 6-5. Sv—Kipper (1). HRs—Pittsburgh, Bonds (9), Redus (2).

Saturday's Line Scores

AMERICAN LEAGUE

Oakland 000 101 111—5 8 1
Boston 015 003 00x—9 12 0
Slusarski, Burns (3), Guzman (6), Honeycutt (8) and Quirk; Harris, Lamp (7), Gray (9) and Marzano. W—Harris, 3-7. L—Slusarski, 2-4.

Cleveland 000 000 000—0 4 1
Toronto 001 020 01x—4 7 1
Mutis, Shaw (6), Hillegas (8) and Skinner; Guzman, Ward (8) and Borders. W—Guzman, 1-2. L—Mutis, 0-2. Sv—Ward (13). HR—Toronto, Carter (16).

Minnesota 100 010 020—4 6 0
New York 000 000 012—3 9 1
Tapani, Aguilera (9) and Harper; Taylor, Plunk (8), Guetterman (9) and Nokes. W—Tapani, 5-6. L—Taylor, 2-2. Sv—Aguilera (19). HR—New York, Espinoza (1).

Seattle 100 220 000—5 7 0
Milwaukee 000 000 000—0 4 4
Hanson, Murphy (8) and Bradley; August, Mk. Lee (6), Holmes (9) and Surhoff. W—Hanson, 4-2. L—August, 5-3. HRs—Seattle, A. Davis (8), Cochrane (1).

Baltimore 000 100 000—1 4 0
Kansas City 000 000 000—0 2 2
Milacki, Olson (9) and Melvin; Gordon, S. Davis (8) and Macfarlane. W—Milacki, 3-2. L—Gordon, 4-5. Sv—Olson (11).

Texas 000 001 000—1 4 2
Chicago 000 000 03x—3 7 0
Jo. Barfield, Mathews (8) and Rodriguez; Fernandez and Fisk. W—Fernandez, 3-7. L—Jo. Barfield, 3-2.

California 310 011 103—10 15 0
Detroit 010 100 010— 3 6 0
Langston, Eichhorn (8) and Tingley; Ritz, Petry (2), Searcy (6), M. Munoz (9) and Tettleton. W—Langston, 10-2. L—Ritz, 0-3. HRs—California, D. Parker (5). Detroit, Tettleton (10), Shelby (3).

NATIONAL LEAGUE

Pittsburgh 000 000 001—1 3 1
Los Angeles 010 002 01x—4 8 0
Drabek, Heaton (8) and LaValliere; Morgan and Scioscia. W—Morgan, 8-5. L—Drabek, 6-8. HR—Los Angeles, Daniels (9).

Chicago 100 100 100—3 11 0
San Francisco 401 100 00x—6 8 0
Boskie, Bielecki (4), McElroy (7), Slocumb (8) and Berryhill; T. Wilson, LaCoss (6), Oliveras (8) and Decker, Kennedy (6). W—T. Wilson, 3-6. L—Boskie, 3-7. Sv—Oliveras (3). HRs—Chicago, Sandberg (11). San Francisco, R. Thompson (8).

New York 031 040 000—7 12 0
Atlanta 000 000 200—2 5 2
Darling, Innis (9) and Cerone; Avery, Mahler (4), Stanton (6), Freeman (7), Mercker (9) and Olson. W—Darling, 4-4. L—Avery, 7-5. HR—Atlanta, L. Smith (3).

Houston 100 100 010 1—4 10 1
Philadelphia 200 000 010 0—3 8 0
(10 innings)
Deshaies, Clancy (8), Osuna (8), Capel (9) and Biggio; Greene, McDowell (9) and Lake, Daulton (9). W—Osuna, 4-2. L—McDowell, 3-4. Sv—Capel (2). HRs—Houston, Caminiti (6), Anthony (1).

San Diego 000 103 000—4 7 0
St. Louis 000 300 000—3 9 1
Melendez, Rodriguez (7), Lefferts (8) and Santiago; Hill, Agosto (6), Carpenter (8) and Pagnozzi. W—Melendez, 3-2. L—Hill, 6-5. Sv—Lefferts (14).

Montreal 000 023 011—7 12 0
Cincinnati 000 010 102—4 10 1
Boyd, Piatt (6), B. Jones (7) and Reyes; Armstrong, Carman (6), Brown (6), Layana (7), Ki. Gross (9) and Oliver. W—Boyd, 4-6. L—Armstrong, 4-6. Sv—B. Jones (5). HRs—Montreal, Wallach (7), L. Walker (6). Cincinnati, Larkin (9), Sabo (11).

Japanese Baseball

Central League

	W	L	T	Pct.	GB
Yakult	35	22	1	.612	—
Chunichi	32	22	1	.591	1½
Yomiuri	34	27	0	.557	3
Hiroshima	28	24	1	.538	4½
Taiyo	26	32	1	.449	9½
Hanshin	15	43	0	.259	20½

Saturday's Games
Yakult 8, Hanshin 2
Yomiuri 6, Taiyo 3

Sunday's Games
Yomiuri 6, Taiyo 3
Yakult 1, Hanshin 0
Chunichi at Hiroshima, ppd., rain

Pacific League

	W	L	T	Pct.	GB
Seibu	34	20	2	.625	—
Kintetsu	32	24	0	.571	3
Daiei	27	24	0	.529	5½
Nippon Ham	29	29	1	.500	6½
Orix	24	33	1	.422	11½
Lotte	20	37	0	.351	15½

Saturday's Games
Orix 6, Nippon Ham 1

Sunday's Games
Kintetsu 8, Lotte 4
Both other games, ppd., rain

HOCKEY

NHL Draft

Top picks in the entry draft, with position and former team or country:

First Round: 1, Quebec, Eric Lindros, c, Oshawa (OHL). 2, San Jose, Pat Falloon, c-rw, Spokane (WHL). 3, New Jersey (from Toronto), Scott Niedermeyer, d, Kamloops (WHL). 4, N.Y. Islanders, Scott Lachance, d, Boston University (Hockey East). 5, Winnipeg, Aaron Ward, d, Michigan (CCHA). 6, Philadelphia, Peter Forsberg, c, MoDo (Sweden). 7, Vancouver, Alex Stojanov, lw, Hamilton (OHL). 8, Minnesota, Richard Matvichuk, d, Saskatoon (WHL). 9, Hartford, Patrick Poulin, lw, St-Hyacinthe (QMJHL). 10, Detroit, Martin Lapointe, rw, Laval (QMJHL). 11, New Jersey, Brian Rolston, c, Detroit (NAJHL).

12, Edmonton, Tyler Wright, c, Swift Current (WHL). 13, Buffalo, Philippe Boucher, d, Granby (QMJHL). 14, Washington, Patrick Peake, c, Detroit (OHL). 15, N.Y. Rangers, Alexei Kovalev, c, Moscow Dynamo (U.S.S.R.). 16, Pittsburgh, Markus Naslund, rw, MoDo (Sweden). 17, Montreal, Brent Bilodeau, d, Seattle (WHL). 18, Boston, Glenn Murray, rw, Sudbury (OHL). 19, Calgary, Niklas Sunblad, lw-rw, AIK (Sweden). 20, Edmonton (from Los Angeles), Martin Rucinsky, c-lw, Litvinov (Czechoslovakia). 21, Washington (from St. Louis), Trevor Halverson, lw, North Bay (OHL). 22, Chicago, Dean McAmmond, c, Prince Albert (WHL).

Second Round: 23, San Jose, Ray Whitney, c, Spokane (WHL). 24, Quebec, Rene Corbel, lw, Drummondville (QMJHL). 25, Washington (from Toronto and Quebec), Eric Lavigne, d, Hull (QMJHL). 26, N.Y. Islanders, Zigmund Palffy, lw, Nitra (Czechoslovakia). 27, St. Louis (from Winnipeg), Steve Staios, d, Niagara Falls (OHL). 28, Montreal (from Philadelphia), Jim Campbell, c, Northwood Prep (N.Y). 29, Vancouver, Jassen Cullimore, d, Peterborough (OHL). 30, San Jose (from Minnesota), Sandis Ozolnich, d, Dynamo Riga (Soviet Union). 31, Hartford, Martin Hamrlik, d, Zlin (Czechoslovakia). 32, Detroit, Jamie Pushor, d, Lethbridge (WHL). 33, New Jersey, Donevan Hextall, lw, Prince Albert (WHL).

34, Edmonton, Andrew Verner, g, Peterborough (OHL). 35, Buffalo, Jason Dawe, lw, Peterborough (OHL). 36, Washington, Jeff Nelson, c, Prince Albert (WHL). 37, N.Y. Rangers, Darcy Werenko, d, Lethbridge (WHL). 38, Pittsburgh, Rusty Fitzgerald, c, Duluth (Minn.) East H.S. 39, Chicago (from Montreal), Michael Pomichter, c, Springfield, Mass. (Junior B). 40, Boston, Jozef Stumpel, rw, Nitra (Czechoslovakia). 41, Calgary, Francois Groleau, d, Shawinigan (QMJHL). 42, Los Angeles, Guy Leveque, c, Cornwall (OHL). 43, Montreal (from St. Louis), Craig Darby, c, Albany (N.Y.) Academy. 44, Chicago, Jamie Matthews, c, Sudbury (OHL).

Other Europeans Selected

Third Round: 49, Winnipeg, Dimitri Filimonov, d, Dynamo Moscow (Soviet Union). 55, New Jersey, Fredrik Lindquist, c, Djurgardens (Sweden). 59, Hartford (from N.Y. Rangers), Mikael Nylander, c, Huddinge (Sweden).

Fourth Round: 70, N.Y. Islanders, Milan Hnilicka, g, Poldi Kladno (Czechoslovakia). 71, Chicago (from Winnipeg), Igor Kravchuk, d, Central Red Army (Soviet Union). 73, Montreal (from Vancouver), Vladimir Vujtek, lw, Tri-City (WHL). 81, Los Angeles (from N.Y. Rangers and Minnesota), Alexei Zhitnik, d, Sokol Kiev (Soviet Union).

Fifth Round: 91, Winnipeg (from Toronto), Juha Ylonen, c, Espoo (Finland). 98, Detroit, Dimitri Motkov, d, CSKA (Soviet Union). 99, Winnipeg (from New Jersey), Jan Kaminsky, lw, Dynamo Moscow (Soviet Union). 102, Toronto (from Washington), Alexei Kudashov, c, Krylia Sovetov (Soviet Union). 106, Boston, Mariusz Czerkawski, rw, GKS Tychy (Poland). 108, Los Angeles, Pauli Jaks, g, Ambri (Switzerland).

Sixth Round: 111, San Jose, Fredrik Nilsson, c, Vasteras (Sweden). 117, Vancouver, Jevgeni Namestnikov, d, Novgorod (Soviet Union). 120, Toronto (from Detroit), Alexander Kuzminsky, c, Sokol Kiev (Soviet Union). 122, Philadelphia (from Edmonton), Dimitri Yushkevich, d, Torpedo Jaroslav (Soviet Union). 125, N.Y. Rangers, Fredrik Jax, rw, Leksand (Sweden). 127, Montreal, Oleg Petrov, rw, CSKA (Soviet Union).

Seventh Round: 133, San Jose, Jaroslav Dievrel, na, Zlin (Czechoslovakia). 134, Quebec, Mikael Johnsson, c, Djurgarden (Sweden). 135, Toronto, Martin Prochazka, c, Poldi Kladno (Czechoslovakia). 136, N.Y. Islanders, Andreas Johansson, c, Falun (Sweden). 138, Philadelphia, Andrei Lomakin, rw, Moscow Dynamo (Soviet Union). 142, Detroit, Igor Malykhin, d, CSKA (Soviet Union).

Eighth Round: 156, Quebec, Janne Laukkanen, na, Reipas (Finland). 160, Toronto (from Philadelphia), Dimitri Mironov, d, Soviet Wings (Soviet Union). 162, Buffalo (from Minnesota), Jiri Kuntos, d, Dukla Jihlava (Czechoslovakia). 167, Toronto (from Buffalo), Thomas Kucharcik, c, Dukla Jihlava (Czechoslovakia).

Ninth Round: 171, N.Y. Rangers, Viatcslav Uvayev, d, Spartak Moscow (Soviet Union).

10th Round: 203, Winnipeg, Igor Ulanov, d, Khimik (Soviet Union). 210, Edmonton, Vegar Barlie, rw, Valerengen (Norway). 217, Calgary, Sergei Zolotov, rw, Krylia Sovetov (Soviet Union). 218, Los Angeles, Mattais Olsson, d, Farjestad (Sweden). 220, Chicago, Andrei Andrijevski, rw, Dynamo Minsk (Soviet Union).

11th Round: 224, N.Y. Islanders, Marcus Thuresson, c, Leksand (Sweden). 232, Edmonton, Evgeny Belosheiken, g, Red Army (Soviet Union). 233, Buffalo, Mihail Volkov, rw, Krylia Sovetov (Soviet Union). 235, N.Y. Rangers, Vitali Chinakov, c, Torpedo Jaroslav (Soviet Union). 239, Calgary, Karko Jantunen, c, Reipas (Finland).

12th Round: 243, San Jose, Mikhail Kravets, lw, Leningrad (Soviet Union). 247, Winnipeg, Sergei Sorokin, d, Dynamo Moscow (Soviet Union). 2 250, Minnesota, Jukka Suomalainen, d, Grifk (Finland). 254, Edmonton, Juma Riihijarvi, rw, Oulu Karpat (Finland). 255, 258, Pittsburgh, Pasi Huura, na, Finland. 2 260, Boston, Torsten Klemoss, d, Dynamo Berlin (Germany). 261, Calgary, Andrei Trefilov, g, Dynamo Moscow (Soviet Union).

TENNIS

EASTBOURNE
Final
Martina Navratilova (1), U.S., def. Arantxa Sanchez Vicario (2), Spain, 6-4, 6-4.

MANCHESTER
Final
Goran Ivanisevic (2), Yugoslavia, def. Pete Sampras (1), U.S., 6-4, 6-4.

GENOA
Semifinals
Jordi Arrese (3), Spain, def. Eduardo Masso, Argentina, 7-6 (7-5), 6-3; Carl-Uwe Steeb (7), Germany def. Thomas Muster, Austria, 7-5, 6-4.
Final
Carl Uwe Steeb (7), Germany, def. Jordi Arrese (3), Spain, 6-3, 6-4.

CRICKET

SECOND TEST
England vs. West Indies, Third Day
Saturday, in London
West Indies first innings: 419
England first innings: 354

RUGBY

INTERNATIONAL FRIENDLY
France 33, Romania 21

TRANSITIONS

BASEBALL
American League

CALIFORNIA—Signed Eduardo Perez, first baseman, and assigned him to Boise, Northwest League.

NEW YORK—Acquired Jim Blueberg, pitcher, from Seattle as player to be named later in deal involving Mike Blowers and assigned him to Albany, Eastern League.

SEATTLE—Activated Erik Hanson, pitcher, from 15-day disabled list. Sent Pat Rice, pitcher, to Calgary, Pacific Coast League.

SEATTLE—Signed Sean Rees, pitcher, and assigned him to San Bernardino, California League.

TEXAS—Signed Billy Moore, outfielder, and assigned him to Oklahoma City, American Association. Assigned Kevin Belcher, outfielder, from Oklahoma City to Tulsa, Texas League.

National League

NEW YORK—Sent Mark Dewey, pitcher, outright to Tidewater, International League.

CINCINNATI—Put Jose Rijo, pitcher, on 15-disabled list. Recalled Tim Layana, pitcher, from Nashville, American Association.

AUTO RACING

Le Mans

Results with drivers, make of car, leader's distance and average speed: 1, Volker Weidler, Germany; Johnny Herbert, Britain; Betrand Gachot, Belgium; Mazda, 362 laps, 4923.2 kilometers, (3,058.9 miles), 205.330 kph. (128 mph); 2, Davy Jones, U.S.; Michel Ferte, France; Raul Boesel, Brazil; Jaguar, 2 laps behind; 3, Teo Fabi, Italy; Ken Acheson, Britain; Bob Wollek, France; Jaguar, 4 laps; 4, Derek Warwick, Britain; Andy Wallace, Britain; John Nielsen, Denmark; Jaguar, 6 laps; 5, Michael Schumacher, Germany; Fritz Kreutzpointer, Germany; Karl Wendlinger, Austria; Mercedes, 7 lap behind; 6, David Kennedy, Ireland; Stefan Johansson, Sweden; Mauricio Sala, Brazil; Mazda, 7 laps; 7, Hans Stuck, Germany; Derek Bell, Britain; Frank Jelinski, Germany; Porsche, 15 laps; 8, Pierre Dieudonne, Belgium; Yorino Terada, Japan; Takayoshi Yorino, Japan; Mazda, 16 laps; 9, Manuel Reuter, Germany; Harri Toivone, Finland; J.J. Lehto, Finland; Porsche, 19 laps; 10, Oscar Larrauri, Argentina; Jesus Pareja, Spain; Walter Brun, Switzerland; Porsche, 24 laps.

DENNIS THE MENACE

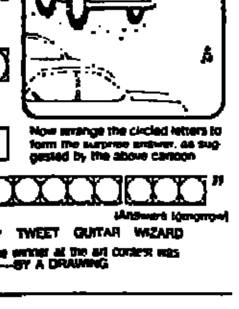
"HE'S THE WORST WHEN HE'S AT HIS BEST."

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SMACH
BOLEN
MEEZAC
PENGOS

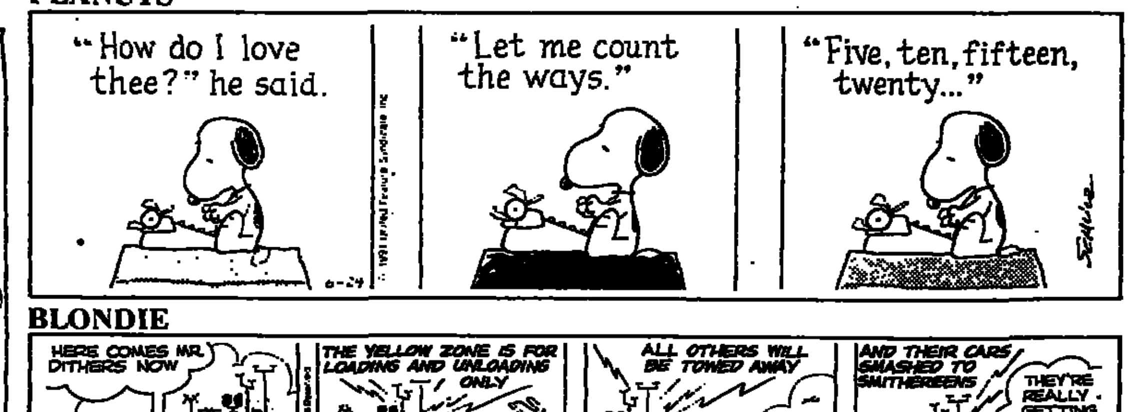


Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: "THE ◯◯-◯◯◯◯◯◯◯◯◯◯"

Saturday's | Jumbles: BANDY TWEET GUITAR WIZARD
Answer: How the winner at the art contest was chosen—BY A DRAWING

PEANUTS



BLONDIE

BEETLE BAILEY

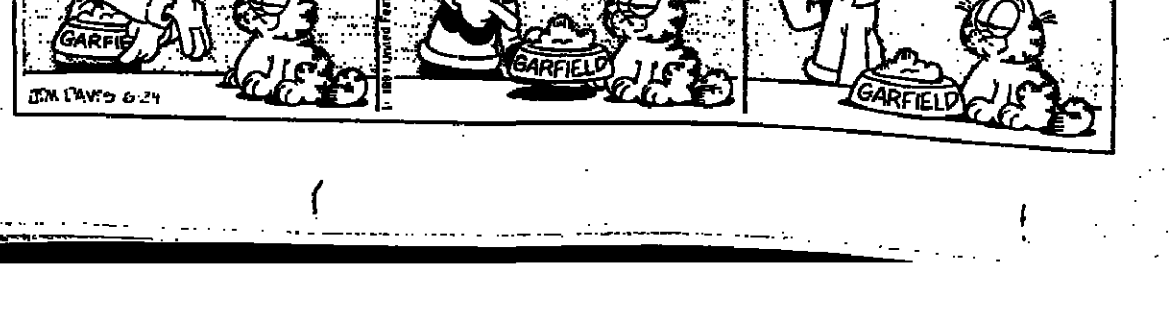
DOONESBURY

ANDY CAPP

WIZARD of ID

REX MORGAN

GARFIELD



For investment information
read THE MONEY REPORT
every Saturday in the IHT

MONDAY SPORTS

Seles May Miss U.S. Open, Too, Her Father Says

Compiled by Our Staff From Dispatches

BELGRADE — Monica Seles's injuries may be more serious than first thought and could force her out of the U.S. Open, her father said in an article published Sunday by the Belgrade daily newspaper Novosti.

Seles, who pulled out of Wimbledon on Friday with what her agent said was an arm injury, also faces "chronic inflammation of the muscles of both legs," Karoly Seles said.

"When she gets up in the morning, she hardly manages to walk," he said. "Monica is too tired. The arm injury is just a culmination of our problems."

The newspaper said that the Australian Open and French Open champion had her knee examined in New York on Saturday after she experienced pain during a practice session. The U.S. Open begins Aug. 26.

"It would be best for her to rest two to three months, not to pick up a racket at all," her father said. "We'll find a doctor who will change her diet because a lot depends on that.

AP

Seles: "I can barely walk."

"She has taken very few vitamins recently, and she will have to forget her favorite food — french fries with ketchup."

Seles herself, in a telephone interview Friday in London with the Yugoslav newspaper Vjesnik, said that "I felt a big pain in my knee during an intensive training session."

Publication of the interview was delayed until Sunday because Saturday was a national holiday in Croatia and newspapers did not publish.

She said that "I definitely cannot play. I can barely walk right now." *(AP, Reuters)*

At Wimbledon, It's Showtime

By Nick Stout

International Herald Tribune

LONDON — The All England Lawn Tennis & Croquet Club Wimbledon, where men are always "gentlemen" and women always "ladies," opens its gates Monday for the 114th version of "The Championships," the biggest tennis spectacle on earth.

So big, in fact, that there have been recent rumblings about eventually moving the tournament away from the cramped but almost hallowed grounds on Church Road in southwest London, where it has been staged since 1922.

Some have suggested, too, that in any case Wimbledon ought to give up on grass, as the U.S. Open did in 1975 and the Australian Open did in 1987, and adopt a more contemporary surface.

Aside from Wimbledon and the few tune-up tournaments in the two weeks preceding it, virtually no professional tennis is played on grass any more. But if white on green is pretty, as the late tennis couturier Ted Tinling always insisted, it also suits the serve-and-volley stylists and quickens the pace of the matches.

Unlike clay-court tennis, where the rallies can be long and the thinking intense, the game on grass is one of more reflex and reaction. While five-set matches frequently run four hours or more on clay, they may take little more than two on grass. The punch and counterpunch is often a welcome antidote to baseline boredom.

A rainy month of June has ensured that the famous grass here will be green at the outset of the 1991 championships if inevitably brown and spotty when the tournament ends on July 7.

Official wisdom, manifested by the seedings, holds that Stefan Edberg and Steffi Graf will become the "holders" for the next 12 months of the coveted trophies that are kept permanently at the All England Club. But unofficial guessers might call it a toss-up between Edberg and Boris Becker in the gentlemen's singles and lean toward Martina Navratilova in the ladies' competition.

Edberg and Becker have been swapping the title for three years, with Edberg winning in 1988 and 1990 and Becker in 1989, and there is every reason to believe that these two serve-and-volley advocates will find themselves face to face once again in a contest for the most respected prize in tennis.

Although Edberg's quarter of the draw is top heavy with grass-court talent — potential adversaries include John McEnroe, Jimmy Connors, Goran Ivanisevic, Pat Cash and Pete Sampras — the current champion comes to Wimbledon confident after a victory on the greens of Queen's Club two weeks ago.

Becker's pre-Wimbledon preparation consisted only of extensive practicing, but the draw was kind to him: He does not have any serious grass-court competitors to deal with in the early rounds.

Ivanisevic, who complained of a confidence crisis at the French Open in Paris, has declared himself cured. After beating Pete Sampras, 6-4, 6-4, in 44 minutes Saturday in the final in Manchester, the 19-year-old Yugoslav said: "If I play like this I will have a good chance at Wimbledon. My confidence is back, and it will be very difficult to break my serve."

It has been written that nobody wants to win Wimbledon this year more than Ivan Lendl, the No. 3 seed.

Now 31, Lendl must be coming to grips with the unpleasant reality that, his eight Grand Slam titles notwithstanding, he may never capture the big one.

A year ago, Lendl forwent the clay courts of Roland Garros, where he excels, so that he could better prepare himself for the tournament he has never won. He did great until he ran into Edberg in the semifinals.

This year, Lendl had intended to play in Paris but withdrew because he had not fully recovered from surgery on his racket hand. And on the grass courts of Queen's Club earlier this month he lost to Grant Connell, 25 a Canadian upstart who will put Andre Agassi to the test in the first round here.

Agassi, seeded fifth, has not played a grass-court match since he lost to Henri Leconte here in the first round four years ago. If white on green is pretty, it is also mandatory at Wimbledon, and the world is waiting to see what the Nike designers have come up with to replace the fluorescent colors in Agassi's wardrobe. The unveiling will take place Monday on Centre Court.

"Some things are special. Every time I walk onto Centre Court I cherish every second. Somebody's got to win it, and I don't want it to be anybody else."
Martina Navratilova

AP

Jim Courier, the Floridian who undid Agassi in the French Open and rose to No. 4 in the rankings, has the big serve that is needed here, but he ought to be less sure of his groundstrokes on grass. Local bookmakers have put his chances at 25-1.

Graf was given the No. 1 seeding after the mysterious withdrawal Friday of Monica Seles. But anyone who knows Wimbledon ought to lean more toward Navratilova, who last year won this tournament for the ninth time and on Saturday beat Arantxa Sánchez Vicario in the grass-court final at Eastbourne on the English seaside.

As for being motivated to win a 10th Wimbledon title after having done it all so many times before, Navratilova was quoted in Eastbourne as saying: "You don't need any motivation to try and win Wimbledon. Some things are special. Every time I walk onto Centre Court I cherish every second. Somebody's got to win it, and I don't want it to be anybody else."

Navratilova, 34, is looking at a couple of milestones here. If she wins her first-round match against Elna Reinach of South Africa, she will become the first and only person — gentleman or lady — to have won 100 matches on these grounds. If she should capture her 10th Wimbledon title, she would then have 157 championships to her credit, tying Chris Evert for that record.

The leading lady may be gone, but "The Championships" go on. And if 114 years of tradition hold true, the tournament will be no less charming. Tinling, a charmer himself and a fixture here for more than a half-century before his death last year, once spoke of his great pleasure at simply getting into a car in the morning and saying, "To Wimbledon then."

Mark J. Terrill/The Associated Press

The Pirates' Don Slaught, after a chorus line collision with catcher Mike Scioscia, was out at home on a throw from shortstop Alfredo Griffin at Dodger Stadium.

Athletics Defeat Red Sox, 4-2, To Prevent a Series Shutout

The Associated Press

Bob Welch pitched seven shutout innings before needing help from Dennis Eckersley and the Oakland Athletics salvaged the last of a four-game series, defeating the Red Sox, 4-2, Sunday in Boston.

Dave Henderson, Terry Steinbach and Lance Blankenship hit solo home runs for Oakland. The Red Sox were trying for their first four-game sweep of the Athletics since 1980.

Welch, 7-4, who blanked Boston in Oakland two weeks ago, allowed just three hits and didn't allow a runner past second base for seven innings. He lost a bid for his 28th career shutout when Tony Pena led off the eighth with a right and one out later, Ellis Burks hit his eighth homer into the bleachers in center.

Eckersley relieved and finished for his American League-leading 20th save. The Athletics ended a 3-7 road trip that cost them the AL West lead.

Danny Darwin, 3-4, pitched 7⅓ innings and gave up all four runs on eight hits.

Yankees 11, Twins 2: Minnesota lost for only the second time in 21 games, falling to the Yankees in New York on Roberto Kelly's first career five-hit game. Kelly went five for-five, drove in three runs and stole three bases. His two-run homer keyed a six-run second inning in the Yankees' highest-scoring game of the season.

Scott Kamieniecki, 2-0, won in his second major league appearance and helped end Minnesota's four-game winning streak. Kamieniecki gave up six hits, including Randy Bush's first two home runs of the year, in 7⅔ innings. He struck out three and walked one.

Bush's error at first base enabled two runs to score in the second. Bob Geren singled home a run, Steve Sax had an RBI grounder and Kelly hit his eighth home run as the Yankees routed Allan Anderson, 4-5.

The Yankees finished with 16 hits and defeated Minnesota for the first time in six games this year.

Blue Jays 3, Indians 1: Joe Carter hit his major league-leading 17th

AMERICAN LEAGUE

home run and tied two team records, leading Toronto to a home victory over Cleveland. Carter connected for a solo shot in the first inning. It was his his 11th home run in June and fifth in four games, both accomplishments matching George Bell's marks.

Bob MacDonald got his first major league victory, pitching 2⅔ perfect innings. Tom Henke worked the ninth for his 11th save in 11 opportunities. Tom Candiotti allowed two runs on nine hits in six innings. The Indians have lost four in a row and 15 of their last 18.

Brewers 5, Mariners 2: Teddy Higuera stopped Seattle on one hit for six innings and Greg Vaughn hit a two-run homer in Milwaukee. Higuera, 3-2, won his third straight game, allowing only a first-inning bunt single to Edgar Martinez.

Higuera, bothered by a sore back muscle in his previous start, walked one and struck out three in his fifth start since coming off the disabled list with a torn rotator cuff. Dan Plesac pitched the ninth for his fourth save.

Willie Randolph's bases-loaded, two-run single was the key hit off Bill Krueger, 4-3, who had a three-game winning streak snapped. Krueger pitched for the Brewers last season.

■ *In games Saturday, The Associated Press reported:*

Red Sox 9, Athletics 5: Carlos Quintana's two-run double keyed a five-run third inning as Boston defeated Oakland.

Greg Harris gave up three runs on five hits in 6⅓ innings as he beat Oakland for the second time this month. Harris, a bullpen refugee, has never pitched a complete-game victory in 87 major league starts.

Blue Jays 4, Indians 0: In Toronto, Juan Guzman pitched three-hit ball over seven innings for his first major league victory and Joe Carter hit a home run to defeat Cleveland. Guzman struck out six and walked two.

Carter hit the first pitch from rookie Jeff Mutis in the bottom of the third over the left-field wall for his fourth homer in three games.

Twins 4, Yankees 3: Chili Davis and Chuck Knoblauch hit solo home runs and Brian Harper doubled in two runs as Kevin Tapani shut out the Yankees for seven innings before tiring as Minnesota won in New York.

Tapani allowed two runs and eight hits in 8⅔ innings before Rick Aguilera got the last out for his 19th save, matching the major league high.

Mariners 5, Brewers 0: Erik Hanson, activated from the disabled list earlier in the day, allowed three singles in seven innings and Dave Cochrane and Alvin Davis homered for Seattle in Milwaukee.

Hanson, making his first start since May 28 after injuring his right elbow, gave up a first-inning hit by Paul Molitor, a single by Dale Sveum in the second and Darryl Hamilton's hit in the fifth.

Orioles 1, Royals 0: Bob Milacki and Baltimore teammate Gregg Olson held Kansas City to three hits, facing only one batter over the minimum.

Milacki retired the first 12 batters before allowing a single by Danny Tartabull leading off the fifth.

Angels 10, Tigers 3: Mark Langston, who has won nine of his past 10 decisions, pitched a four-hitter for seven innings and Luis Polonia had four hits, including a three-run double, for California in Detroit.

The Angels scored three runs in the first inning on the strength of three singles and two walks by Kevin Ritz.

Error Gives Padres 3-2 Victory Over Cardinals

The Associated Press

Ozzie Smith's first error since Sept. 20 helped allow the winning run to score Sunday and the San Diego Padres defeated the Cardinals, 3-2, in St. Louis, Missouri.

With the score tied, 2-2, Bip Roberts opened the eighth with a grounder to shortstop. Smith threw wide of first base for his first error in 69 games. Roberts took second when Juan Agosto, 5-2, walked Tony Fernandez, advanced to third on Tony Gwynn's ground out and scored when Jerald Clark beat out a grounder and avoided what would have an inning-ending double play.

Bruce Hurst, 8-4, gave up two runs and seven hits in his third complete game, beating the Cardinals for the second time in 12 days. Omar Olivares gave up seven hits and two runs in seven innings.

Fred McGriff's run-scoring single in the first — his fourth RBI in two games — gave San Diego the lead in the first.

San Diego is 21-14 on the road, the most road victories in the majors, but only 15-20 at home.

Astros 6, Phillies 4: Darryl Kile allowed four hits in seven innings for his first major league victory as Houston won in Philadelphia. Kile, a 22-year-old righthander, was making his fifth career start. He gave up two home runs to Darren Daulton, the second multihomer game of his career.

Daulton was on the disabled list twice this year because of a May 6 auto accident and was activated Tuesday. He also homered twice against the Cubs on Aug. 17, 1985. Batting .156 coming into the game, Daulton added an RBI single in the eighth and raised his average to .183.

Jim Clancy pitched 1⅔ innings for his third save. Jose DeJesus gave up four runs and eight hits in 5⅓ innings, struck out five and walked three.

Daulton's first home run since last Sept. 16 gave the Phillies a 1-0 lead in the second.

Braves 4, Mets 3: Ron Gant hit a two-run homer and a two-run double as Atlanta, playing at home, rallied and defeated New York for only the third victory in 10 games.

Gregg Jefferies hit a solo home run and a sacrifice fly for the Mets, who led 3-2 going into the eighth.

Terry Pendleton opened the inning with a single off Wally Whitehurst and took second when third baseman Howard Johnson booted Jeff Treadway's grounder for an error. Jeff Innis relieved and Gant doubled into the left-field corner.

Kent Mercker, 3-3, pitched one scoreless inning for the victory and Juan Berenguer got three outs for his 10th save.

Reds 8, Expos 4: In Cincinnati, Bill Doran's pinch-triple with the bases loaded highlighted a five-run seventh as the Reds defeated Montreal.

With the score tied 3-3, Bill Sampen, 5-2, hit Chris Sabo on the wrist with a pitch, forcing home the go-ahead run. Doran followed with a triple over the head of charging right-fielder Dave Martinez. Hal Morris hit an RBI double off Jeff Fassero, giving the Reds their second five-run inning of the season.

Five pitchers combined on a five-hitter, but walked 10. Randy Myers, 4-5, pitched out of a bases-loaded threat in the sixth. Keith Brown and Rob Dibble allowed one hit in the final two innings.

The Reds's starter, Tom Browning, walked a career-high seven in five innings. Brian Barnes remained winless in nine starts this season, giving up five and three runs in five innings.

■ *In games Saturday, The Associated Press reported:*

Dodgers 4, Pirates 1: Mike Morgan, who had never beaten Pittsburgh, pitched a three-hitter against the Pirates in Los Angeles. Morgan won for the third time in four starts and earned his first ca-

NATIONAL LEAGUE

reer victory against the Pirates in six decisions.

Jose Lind singled in the third inning, and Morgan then retired 17 straight until Lind singled leading off the ninth. Gary Varsho singled Lind to third and Orlando Merced ended the shutout bid with a sacrifice fly.

Giants 6, Cubs 3: Robby Thompson hit a two-run homer to help defeat Chicago in San Francisco.

Ryne Sandberg hit a bases-empty home run, his 11th of the year, in the first inning for Chicago, which had not lost eight in a row since dropping a club-record 13 straight in June 1985.

Mets 7, Braves 2: Ron Darling gave up two runs in eight innings and Howard Johnson drove intwo runs.

Darling, who improved to 13-3 lifetime against Atlanta, had a one-hit shutout until the seventh, when Jeff Treadway doubled and Lonnie Smith homered.

Padres 4, Cardinals 3: In St. Louis, Missouri, Fred McGriff drove in three runs with a single and double for San Diego.

Rookie Jose Melendez gave up three runs and eight hits in 6⅓ innings for the victory. Craig Lefferts pitched 1⅔ innings for his 14th save.

Expos 7, Reds 4: Larry Walker and Tim Wallach hit two-run homers off Jack Armstrong during Montreal's victory in Cincinnati.

Oil Can Boyd was in trouble for four of the five innings he pitched, but got the victory.

Astros 4, Phillies 3: Casey Candaele's run-scoring grounder off Roger McDowell in the 10th gave Houston the victory in Philadelphia.

Eric Anthony and Ken Caminiti hit homers for the Astros.

The Boys' Baseball Coach Who Couldn't Shoot Straight

Compiled by Our Staff From Dispatches

EAST ST. LOUIS, Illinois — A teenage umpire for a boys baseball league is back officiating, while an angry coach who, police say, fired several shots at the youth during a game was in jail Sunday.

Curtis Fair, 31, who allegedly tried to shoot the 16-year-old umpire, Roderick Fisher Jr., after the teenager called a boy on Fair's team out at the plate, was charged with attempted murder Saturday, police said.

Fair was coaching at third base with his team trailing by one run when the 9-year-old player was called out by Fisher during a Khoury League game last week. Fair ran toward home and loudly demanded to know why Fisher was "making all these bad calls," police said.

The Khoury League, founded in East St. Louis, has divisions for players aged 7 through 16.

Fisher ejected Fair and told him to leave the field. Fair grabbed a baseball bat, according to police reports, and ran after Fisher, threatening to "bust your head. I'll kill you."

A relative of Fair wrestled the bat away and escorted him from the field.

Fair left in his car and the game resumed. But about 10 minutes later, witnesses said, he returned. As several parents grabbed their children and ran, Fisher said he said he saw Fair walking toward him with his right hand tucked under his shirt.

"He got about 10 feet from me and said, 'Now I'm going to kill you,' " Fisher told police.

Police said Fair fired a .38-caliber revolver at Fisher from about 10 feet (3 meters) but missed. He then continued to fire as Fisher ran toward the stands, where terrified youngsters and parents clutching their children were racing for cover, investigators said.

Fisher then began firing toward the crowd, but still didn't hit anyone, police said.

"Amazingly, no one was injured," said a patrol officer who asked not to be identified.

After emptying his gun, Fair fled from the field, police said, but was captured an hour later in an alley.

Fisher's father, Roderick A. Fisher Sr., said that his son umpired a game again Thursday without incident. And, he said, he wasn't surprised that his son had escaped injury.

"Rod runs track for the East St. Louis [High School] Flyers," his father said. "Rod got the hell out of there.

"Rod's a tough kid. I'm pretty sure he's had his taste of arguments with parents, but this is the first time gunplay's been involved." *(AP, UPI)*

SIDELINES

Faldo Wins Irish Open by 3 Strokes

KILLARNEY, Ireland (UPI) — Nick Faldo, never threatened Sunday in the final round of the Irish Open, won his first European tour title this year by three strokes as he shot a 2-under-par 70 for a total of 283.

Colin Montgomerie, who also carded a final round 70, was second. The U.S. Open champion, Payne Stewart, co-leader with Montgomerie after the second round, finished at 293 after posting a 76.

● Dan Pohl held a two-shot lead Sunday over Mike Donald, Ian Baker-Finch, Kenny Knox, Brian Claar and Mike Hulbert after completing the third round of the Anheuser-Busch tournament in Williamsburg, Virginia, with a 6-under-par 65. Pohl was one of 14 golfers who did not finish the rain-delayed round Saturday. *(AP)*

Lakers' Divac May Transfer to Italy

ROME (AP) — Vlade Divac, the Yugoslav center of the Los Angeles Lakers, said Sunday that he may transfer to Italy when his contract with the National Basketball League team expires next year.

"Italy is my favorite country and I want to play in the Italian league sooner or later," said Divac, who is in Rome to play for Yugoslavia in the final round of the European Championships, which start Monday.

For the Record

Ben Johnson finished fourth in the 100 meters at the Midsummer Games track and field meet Sunday in Lapinlahti, Finland, but was timed in 10:40 seconds, his fastest this year. *(AP)*

Portugal, the defending champion, gained the semifinals of soccer's World Youth Championship by beating Mexico, 2-1, Saturday on an overtime goal; Brazil advanced with a 5-1 victory over Korea. *(AP)*

The contract of Tab Ramos, one of the top American soccer players, has been purchased for $250,000 from the U.S. Soccer Federation by the Spanish second division club Figueras. *(AP)*

The Keio Big Bears beat the Waseda Unicorns, 21-19, in Harvard Stadium on Saturday in the Waseda-Keio Football Classic, the first Japanese collegiate game in the United States. *(AP)*

Venables Wins Battle To Control Tottenham

Compiled by Our Staff From Dispatches

LONDON — Terry Venables, the manager of Tottenham Hotspur, has finally won his marathon battle for control of the troubled first division English soccer club.

The London team's holding company announced Saturday that it had accepted an offer from Venables and his partner, the entrepreneur Alan Sugar, of £7 million ($11.4 million) for 35.8 percent of the club's shares.

Venables, whose team won this season's FA Cup, is expected to become the managing director. He immediately pledged to do his best to keep midfielder Paul Gascoigne, whose £8 million transfer to Lazio of Italy has been put on hold while he recovers from a knee injury.

The Venables-Sugar offer was expected to succeed after a rival bidder, the media magnate Robert Maxwell, dropped his plans to buy into the club, which has reported debts of about $30 million.

Under London Stock Exchange rules, Venables and Sugar will make a bid for the remaining shares. But they said that while they were obliged to make a cash offer for all the Tottenham shares, they did not want other shareholders to sell their stakes. *(Reuters, AFP)*

■ **Italians: No to Maradona**

The Italian soccer league said Sunday that it had turned down a request by Diego Maradona to end his contract with Napoli, Reuters reported from Milan.

The league tribunal ordered Maradona to pay 2 million lire (about $1,000) in expenses to Napoli and another 2 million lire in court costs.

The Argentine superstar had made his request on March 20 after Napoli stopped paying his salary and opened a case against him for damages, claiming huge losses in revenue because of his behavior. Maradona, under contract until 1993, missed training and matches without permission last season.

Maradona, 30, left for Argentina on April 2, just before the Italian federation suspended him for 15 months after a positive drug test — a ban since extended worldwide. Vincenzo Siniscalchi, Maradona's lawyer, said Sunday that his client would not be in Naples on Wednesday to answer charges of using and suppling drugs and that he would ask for a postponement.

AT&T USADirect® Service.
Your Express Connection to AT&T Service.

Calling the States when you're overseas has never been easier. All you have to do is dial a number to be connected to an AT&T Operator in the U.S. You can use your *AT&T Calling Card* or call collect.

AT&T USADirect Service is available in over 90 countries. Here are some of them.

AUSTRIA**	022-903-011	ITALY**	172-1011
BELGIUM**	11-0010	LUXEMBOURG	0 800-0111
DENMARK**	8001-0010	NETHERLANDS**	06*022-9111
EGYPT*3	356-0200	NORWAY**	050-12011
FINLAND**	9800-10010	POLAND²	010-480-0111
FRANCE**	19*0011	PORTUGAL	05017-1-288
GERMANY¹	0130-0010	SAUDI ARABIA⁴	1 800-100
GREECE**	00-800-1311	SPAIN	900-99-00-11
HUNGARY**	00*36-0111	SWEDEN**	020-795-611
IRELAND	1 800-550-001	SWITZERLAND**	155-00-11
ISRAEL	177-100-2727	U.K.	0800-89-0011

For additional *USADirect* access numbers or information about the service, call us collect at 412-553-7458. When in the U.S., call 1 800 874-4000 Ext. 436 for your free *USADirect* information card.

*Await second dial tone. **Public phones require coin or card. ¹Western portion. ²Dial "0" and await second tone outside Warsaw. ³Dial "02" first, outside of Cairo ⁴Limited availability.
©1991 AT&T

AT&T The right choice.

AMERICANS
LIVING OUTSIDE USA

Earn high tax-sheltered interest in U.S. Dollars

US Tax Laws now preserve generous tax-breaks for money invested in U.S.A. life insurance. Earnings grow tax-sheltered with valuable options for lifetime tax-favored income and tax-free death benefits.

"A splendid way to provide for your dependents; save for the future expenses and get tax benefits along the way." MONEY MAGAZINE. *"One of the few remaining legitimate shelters."* BUSINESS WEEK MAGAZINE.

Guaranteed by multi-billion dollar U.S.A. companies. Arranged quickly and confidentially by mail for American citizens living abroad.

FREE
PERSONAL QUOTE
FOR A FREE personal quote please FAX the following information:
Name;
Date of Birth;
Height / Weight;
Smoking Habits;
Mailing Address.

International Executives Insurance Services
FAX 24 Hrs. a day, 7 days a week
U.S.A. (619) 281-4569
Write: P.O. Box X-1016
San Diego, CA 92112, U.S.A.
NOTE: not available in all countries

A Corner of India That Is Forever England

By Barbara Crossette
New York Times Service

LUCKNOW, India — It is morning at the Dorothy Crosthwaite Home, a little corner of Hindustan that is forever England.

A romantic novel, "The Missionary's Daughter," lies open on a veranda chair. Flowered curtains flutter at the windows. Dolly O'Bediah is fresh and elegant in a seersucker dress of white and violet-blue — though she was certainly not expecting guests.

She and nine other women in their 70s and 80s living here in spartan retirement are Anglo-Indians, a diminishing band of gentlefolk caught in pain and glory between two worlds.

The Indian Constitution regards them as a separate community, in effect a patrilineally defined racial minority. To be Anglo-Indian, a family must trace its ancestry to a European father — not necessarily British; the Portuguese, French and Dutch also colonized India — and an Indian mother.

Both Victorian England and Brahman India sniffed at their mixed parentage. At independence in 1947, Indian nationalists saw them as the agents of imperialism.

Anglo-Indians made colonial India tick. They ran the railways, the telegraph and postal systems, the customs service, the hospitals and the schools. They were officers in the police and in the military.

In dress, language, religion and social behavior, Anglo-Indians — there are perhaps 100,000 left in India — still treasure their "Europeanness," more so as Indian cities crumble under overpopulation and lack of maintenance. But many if not most have never seen their distant fatherlands.

"We trust and cling tenaciously to all that we hold dear: our English language, our way of life and our courage," said Frank Anthony, a lawyer and former member of parliament who is head of the All-India Anglo-Indian Community, based in New Delhi.

"But let us always remember that by nationality we are Indian. We have always been Indians. The more we love and are loyal to India, the more India will love and be loyal to us."

While Anglo-Indians usually married each other, there have been intermarriages with other Indians.

"We exhaust the whole color spectrum," Anthony said. "Some of us are fairer than the fairest British people. Some of us are darker than the Nubians."

Tens of thousands of Anglo-Indians have emigrated over the last half century, as fortunes rose and waned. The apprehensions of Anglo India were measured in the slamming of steamer trunks, Allan Sealy, an Anglo-Indian author, writes in "Trotternama," a brilliantly fantastic but pithily revealing chronicle of Anglo-Indian life.

Barbara Crossette/The New York Times

Dolly O'Bediah and Annie Clark are part of the diminishing band of Anglo-Indians that once made India tick.

The women at Dorothy Crosthwaite had not read the book.

"But there are some Sealys among us," O'Bediah mused, searching for family connections. Skinner, Gardener, Shepherd, Hilton, Carberry, Larkin, Dunn — all are Anglo-Indian names in India, particularly in the Himalayan hill stations, where many popular private schools are run by Anglo-Indian families.

The world of Anglo India is still a cozy universe of lace curtains and doilies, scent and talc, chintz covers, family photographs in silver frames, upright pianos and piles of books overflowing their shelves.

There were once balls, card parties and evenings at the club.

"We used to go out, but that's all stopped," said Elizabeth Young, one of O'Bediah's neighbors. Both were nurses.

Annie Clarke, 88, a former teacher, added, "When it gets dark, we are afraid to go out at all."

O'Bediah interjected: "At Christmas, we have a very good time. We have a Christmas lunch, and we have a tree. We've got a very good committee in Lucknow looking after this place."

The Dorothy Crosthwaite Home, named for a British governor general's wife, is run by a trust supported by Anglo-Indians in this country and abroad.

Lucknow has a special place in British history. Here the 1857 Indian mutiny took its most dramatic toll in two sieges of the palatial British Residency, still in ruins nearly a century and a half later.

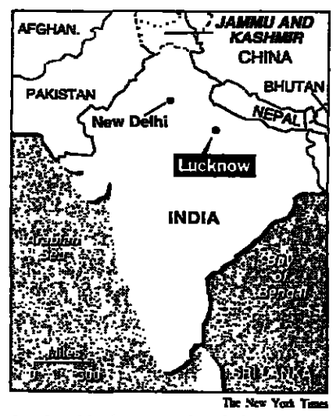
Lucknow, seat of the nawabs of Oudh, was stylish and cultured. Its Hazratganj was a wide boulevard of fashionable shops, now gone to clutter and seed. Lawrence Terrace, a residential neighborhood around the Crosthwaite home, was a bastion of Anglo India, complete with its Lucknow Club.

The club is still there, but it is down at heel and the Anglo-Indians have deserted it.

"We don't go there anymore," said Marjorie Whitby, former vice principal of La Martinière girls' college. "I feel sorry for the youth of today with no place to go — I mean our kind of youth."

Over the centuries, Anglo-Indians acquired a reputation for forthrightness and superior airs.

Anthony was once asked by Lady Mountbatten, wife of the last British viceroy of India, why Anglo-Indians were so arrogant. She had been admonished by an Anglo-Indian head nurse for shaking hands with low-caste hospital workers.



The New York Times

"I said, why do you blame us?" he recalled. "We've been brought up to be arrogant. All our schools were run by British principals. They taught us British geography, British history. But they taught us nothing about India. What did you expect us to be?"

LANGUAGE

The Great Greenhorn Expedition

By William Safire

WASHINGTON — The heavy hitters of the East Hampton, New York, media-theatrical-legal establishment were supping at the beach house of Mort Zuckerman of U.S. News and World Report. When the conversation veered to the assimilation of minorities in America, Mort Janklow, the literary agent, used the word *greenhorn* to denote an immigrant from Eastern Europe at the turn of the 20th century.

Richard Reeves, the columnist (this is beginning to read like a Liz Smith column; also present at the dinner were the irrepressible Peter Stone, author of the new Will Rogers musical, and the dour Lloyd Cutler, counsel to the president in the Carter administration; dare I put the names in boldface and eat a peach?) — at any rate, Reeves asked, "What's the derivation of *greenhorn?*" Janklow guessed it had something to do with *animal husbandry*, an archaic phrase that many now take to be a derogation of married life. The group at Nuthin' Dune, too lazy to pick up a dictionary, sent the query to me.

Fortunately for them, I had just said to myself: The next interesting word that comes in will be the basis for a comparison of dictionaries. Close your eyes and open the mail: O.K., let's use *greenhorn*.

All good lexies depend on two basic sources for their definitions: the Oxford English Dictionary for the history of a word (with its supplement or CD ROM for more recent usage), and their own citation files to determine the current senses. They also look at one another's latest dictionaries and try to be original in defining without straying too far from the norm.

Greenhorn, begins the OED, is "1. An appellation given to an animal, ? orig. to an ox with 'green' or young horns. *Obs.*" The question mark means they admit to guessing at the origin, same as the agent Janklow did; nobody has made a better guess. (Was there a 15th-century novice named Sam Greenhorn who gave his name to the word? Unlikely.) So we go with the OED's presumed etymology. The first sense of "young ox" used in *1460 is obv. obs.* — obviously obsolete.

The second historical sense is "a recently enlisted soldier; a raw recruit" with citations from 1650. Third is "a raw, inexperienced person, esp. a novice in a trade . . . *ignoramus . . . simpleton.*" The best citation is from an *1831 Disraeli novel:* "he execrated the greenhornism which made him feign a passion and then get caught where he meant to capture."

That's the OED history. From my own citation file, I have this passage from David Ignatius's recent spy novel, "Siro": "Always close the drapes," says the smart-sexy heroine, a CIA recruit, going by the book in a hotel-room meeting with her mentor. "We're in Rockville," replies the veteran spook, "nobody cares." The novelist narrates: "Anna nodded. She felt like a *greenhorn.*" (I don't really have citation files on this; I was reading that novel until the wee hours last night, after having started this piece, and the word popped up at me. Now close the drapes and we'll continue, knowing the word is currently used by novelists in the sense of "novice, newcomer," and by agents in the sense of "immigrant.")

How do three top American dictionaries handle the word? Here is how the definition appears:

Webster's New World, Third College Edition

greenhorn *n.* (orig. with reference to a young animal with immature horns) 1 *a*) an inexperienced person; beginner; novice *+b*) [Now Rare] a newly arrived immigrant 2 a person easily deceived; dupe

Merriam-Webster's Ninth New Collegiate

greenhorn *n.* (obs. *greenhorn* (animal with young horns)) (1682) 1: an inexperienced or unsophisticated person 2: a newcomer (as to a country) unacquainted with local manners and customs

Random House Webster's College

greenhorn *n.* 1. an untrained or inexperienced person. 2. a naive or gullible person. 3. a newly arrived immigrant; newcomer. (1425-75; late ME; orig. applied to cattle with green (i.e., young) horns) — **greenhornism,** *n.*

□

At first glance, the entries seem much the same; *inexperienced* is used in the first sense every time, although it could be argued that the current sense (which should be listed first) is *naive*, and there are plenty of people who keep having awful experiences but who remain hopelessly naive. As to the word's animal origin, all three present as a certainty what the OED properly lists as a question mark and I would call informed speculation, logically deduced but unattested.

On close inspection, however, different judgments are made and features are offered. In the first entry, Webster's New World, the lexicographer offers two synonyms beyond *inexperienced* — *beginner* and *novice* — while Merriam-Webster adds only *unsophisticated*, and Random House chooses *untrained*, with a separate sense of *naive* and *gullible*. I think Random House comes out best on that, because a difference exists between *inexperienced* and *naive, gullible*, and it is useful to have the senses separate.

What about the *immigrant* sense? Webster's New World is the only one to list it as rare. But a little star before the reference to immigrants is a WNW exclusive: It tells us that the word in that sense is an Americanism; Random House wisely dropped the "slang" judgment in its unabridged dictionary. Of the three dictionaries' treatment of the new-immigrant sense, I prefer Merriam-Webster's broader definition: "a newcomer (as to a country) unacquainted with local manners and customs."

Webster's New World doesn't have a date for any sense; Merriam-Webster gives the date (1682) for the first use of the term in the "inexperienced" sense while the Random House Webster gives a vague range of years (1425-1475) for the word when it referred to young cattle (probably). On this, I want to know what Merriam-Webster gives me: coinage of the primary current meaning. Give Random a point for adding the *-ism* (though you'd have to look in the spacious Oxford to discover its coinage by Disraeli) and for punctuating its entries with periods.

On the whole, I'd give the edge on this entry to Webster's New World, because it separates the "inexperienced" slightly from the "new immigrant" and gives a separate sense to "easily deceived." When I work my way through a couple hundred thousand more entries, I'll decide which dictionary is best; don't hold your breath.

Therefore, when didactic people say to you, "According to Webster's," your proper riposte is: "Which Webster's? What do you take me for, a *greenhorn?*"

New York Times Service

PERSONALS

HI BABY BUNNY. Do you like castles? Good. How about half castles? Garden & pool are cool. M&D

M. Dawn is back, but it's no longer painting. It's drooping without you here. I miss you so very much.

ANNOUNCEMENTS

TO OUR READERS VISITING FROM THE U.S.A.

THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE

Now printed by satellite transmission in New York the International Herald Tribune offers same-day home or office delivery in Manhattan, most areas of Boston, Los Angeles, Miami, Philadelphia, San Francisco and Washington D.C.

Subscription copies are now flown directly to Atlanta, Chicago, Denver and Seattle for speedy mail delivery.

In the U.S.A., call TOLL FREE 1-800-882-2884

In New York, call **(212) 752-3890**

or write International Herald Tribune 850 Third Avenue New York, N.Y. 10022 Telex: 427 175 Fax: (212) 755-8785

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0220

MOVING

IF YOU MOVE TO THE STATES MOVE IN A GOOD STATE

GLOBAL INTERNATIONAL

LONDON	(44) 81 997 43 21
PARIS	(33) 1 47 20 28 28
AMSTERDAM	(31) 20 44 72 44
BONN	(49) 228 66 40 11
FRANKFURT	(49) 610 52 10 11

1992 - NOW !

interdean

INTERNATIONAL MOVERS FOR A FREE ESTIMATE CALL

PARIS (1) 39569000 NICE COTE D'AZUR 937421121

WE MOVE YOU & YOUR GRANDMOTHER'S CRYSTAL

Over a century of know-how

Bedel GROSPIRON INTERNATIONAL

Tel (1) 47 34 02 66 Fax (1) 42 73 38 46

39 rue de la Fédération, 7507.5 Paris

MARTINI TECHNOTRANS - NICE / CANNES. Tel: 93.39.43.44. Overseas Moving - Storage - Packing - Air/Sea Shipping, Car/Baggage, Clearance.

LEGAL SERVICES

DIVORCE BY MAIL. Final in 14 days certified by US Government. Tel: Germany (49) 211.714950.

MAIL ORDER

World's Largest CD Catalog

Worldwide Delivery of virtually any CD, send $11 ($6 + $5 Intl. Air mail) & get our 240 Page, 50,000 title catalog plus 1 Free Year Of Updates. Call USA: 212-463-9300, Fax USA: 212-627-2613 or Base Express Music Catalog, 50 W. 17th St., NYC, NY 10011 USA.

REAL ESTATE FOR SALE

MONACO

MONTE CARLO PRINCIPALITY OF MONACO

In town center, apartment in residential building, hall, living room, two bedrooms, fully equipped kitchen, terraces with sea & mountains view. F7,500,000.

INTERMEDIA *Exclusive Sole Agent* MONTE CARLO Tel 33 93 50 66 84 Fax 33 93 50 45 52

PARAGUAY

50,000 HECTARES (123,500 acres) of excellent virgin land for cattle farming and settlement in the very stable country of Paraguay. Direct access from the Panamericana. Abundant well water. Private sale. US$18.25/ha ($7.39/acre) Development & full management can be provided. Fax Germany (49) 89 470 19 16.

REAL ESTATE FOR SALE

PARIS & SUBURBS

PARIS (6th) SAINT GERMAIN DES PRES Rue Dauphine (near)

Owner selling character apartment, perfect condition, calm, living room, 2 bedrooms, bath, toilet, new equipped kitchen. Possible for professional use. Tel: (1) 46 33 65 59

PARIS 16th CHARMING FAMILY HOUSE

6 bedrooms, large garden impeccable condition. **PHILIP HAWKES** (1) 42 68 11 11

6th RUE GUENEGAUD

75 sq.m., living + bedroom. F3,700,000.

6th RUE DE SEINE

124 sq.m., living + 3 bedrooms. F7,500,000

MB INT (1) 43 29 39 01.

REAL ESTATE TO RENT/SHARE

MONACO

PRINCIPALITY OF MONACO VARIOUS 3 AND 4 ROOM APARTMENTS

For rent, in new residential building close to the sea with fully equipped modern kitchen, luxury fixtures and fittings, cellar, parking space and view of the Mediterranean.

For further details please contact.

AGEDI

E.R.I. Residential 7 and 9, Bd des Moulins MC 98000 MONACO Tel: (33) 93.50.66.00. Telex: 479417 MC Fax: (33) 93.50.19.42.

REAL ESTATE TO RENT/SHARE

FRENCH PROVINCES

***** BEAUTIFUL VILLA,** 4 bedrooms, 4 bathrooms, magnificent view, 12 x 9 metre pool, very beautiful garden overlooking St. Tropez. Available first two weeks of July and month of August. FFrs. 110,000. Two weeks: FFrs. 80,000. Tel: Germany +49-40-298 00 80 or Fax: 40-29 80 08 25.

GREAT BRITAIN

KNIGHTSBRIDGE £59/night serviced luxury flats beside Harrods. From £52 in Kensington. Oxbridge Apartments Tel: (71) 835-1611 Fax: (71) 373-0036.

PARIS AREA FURNISHED

FLATOTEL EIFFEL TOWER OR EXPO PORTE DE VERSAILLES

From studio to five room deluxe apartments fully equipped and serviced, daily, weekly or monthly Any further information: Call 05.345.345 Toll Free or (1) 45 75 62 20

74 CHAMPS ELYSEES

LE CLARIDGE

FOR 1 WEEK OR MORE high class studio, 2 or 3-room apartments. FULLY EQUIPPED IMMEDIATE RESERVATIONS Tel: (1) 43 59 67 97

AT HOME IN PARIS 3 MONTHS TO 3 YEARS

apartments for rent furnished or not

PARIS PROMO

Real Estate Agent - Property Manager 25 Ave Hoche, 75008 Paris. (1) 45632560

INTER URBIS

UNFURNISHED/FURNISHED RENTALS FLATS & HOUSES FOR SALE 31 rue de Monceau, Paris 8th. Tel: (1) 45 63 17 77

EXCLUSIVE FURNISHED RENTALS

First in quality and service Tel: 1-47 53 86 38. Fax: 1-45 51 75 77.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

AGENCE CHAMPS ELYSEES

Offers apartments in residential areas from 3 months or more. Tel: (1) 42 25 32 25 Fax: (1) 45.63.37.09

6th RUE DAUPHINE

Small studio, all comforts. F4,500 net.

Studio, all comfort. F5,250 net.

6th RUE DE SEINE

5 rooms, high class. F24,000 net.

MB INT (1) 43 29 39 01.

OWNER RENTS APARTMENTS, fully furnished and equipped, in the best areas of Paris, for 1 day to 3 years. Reasonable prices. Call (1) 43.06.82.92. Fax: (1) 40.56.33.23.

PARIS BIENVENUE. Furnished studios & apartments 1 WEEK TO 2 YEARS in Central Paris. Chauffeur available. Tel: (1) 47 53 80 81. Fax: 47 53 72 99

LEVALLOIS available August 1st. 5 min Porte Champerret. beautiful living + 3 bedrooms, impeccable, 2 baths. F16,800 net. Tel (1) 47 05 52 18.

LEFT BANK (Pantheon/Luxembourg/ Mouffetard). Short or long term. Free now. No agency fees. Tel Jean-Michel (1) 43 25 08 91. Fax: (1) 43.54.57.98.

POINT NEUF. View on Seine, 2 bedrooms, marble bathrooms. American kitchen. F25,000/month. Furnished or unfurnished. Tel: 1-43.26.81.05

5th Mouffetard very central, 2 rooms fully equipped. F4,800 net. Deposit F8,400. Leave message 1-43268727.

NEUILLY residential, 2 rooms, 60 sq.m., garden, calm, greenery. F6,200 + charges. Tel (1) 46 24 95 06.

LUXEMBOURG 110 sq.m., luxury, sunny, calm, 2 bedrooms, 2 baths, F13,500 + charges. Tel: 1-40191034

15th, NEAR 7th Owner, 2-room flat, garden, sun, modern, class, quiet, central. F8,000 net. (1) 45 67 04 58

INVALIDES - Prestigious location. Overlooking garden, 2 bedrooms. Now for 2 months. F11,500. Tel 1-4531 0809

7th VERNEUIL: Elegant 2-room apartment, lovely building. All conveniences. July/Aug. Tel: 1-42.86.00.21

5th. CHARMING close to Jardin des Plantes, fully equipped, 1 bedroom, 50 sq.m. F6,000. Tel: 1-46.47.88.08

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

GRENELLE/RASPAIL. 2/3 rooms, clear ground floor on courtyard. F7500, + parlane. (1) 45.48.94.23 or 45.49.49.09.

PARIS AREA UNFURNISHED

Embassy Service 8 Ave. de Messine 75008 Paris

YOUR REAL ESTATE AGENT IN PARIS

(1)-45 62 30 00 FAX (1)-42.89.21.54

BUTTE MONTMARTRE, newly redone Townhouse, with exceptional view, 5 rooms, 2 marble bathrooms, equipped kitchen, cellar, garage, sunny terrace, references required, no agency, justified rent. Tel (1) 45 24 00 56.

ARE YOU RELOCATING TO FRANCE? Waste no time ! Get best conditions ! Call Executive Relocations, Paris Berne. Tel (1) 40.74.00.02. Fax (1) 42.56.19.29

VIROFLAY available October 1st. Splendid house, living + 5 bedrooms, 2 baths, terrace, 700 sq.m. garden. F17,800 net. Tel: (1) 47 05 52 18.

12th, RARE freestone building. 2/3 rooms, quiet, light, private street, 3rd floor, lift, fireplace, equipped kitchen, parking. Tel: (1) 43411976 evenings.

AHAI At last a relocation service adapted to YOUR requirements. AT HOME ABROAD Tel (1) 49 09 08 37.

7th, INVALIDES. Very beautiful large 4 rooms, modern, equipped kitchen + maid's room. F20,000. (1) 45 27 12 19.

CHATOU 10 rooms, 300 sq.m. house, unfurnished but contents for sale. garden, garage & flat 1-30530890

USA

NEW YORK CITY- sublet Aug.-Oct. 3 level penthouse, Greenwich Village off Fifth Ave. 2 bedroom, 2 bath, fully furnished, equipped, central air-conditioning, large terrace, $4000/month. Tel (212) 777-9839 USA.

COLLECTORS

DECLARATION OF U.S. Independence reproduced on antique parchment paper 14"x16". Catalogue, 2889 Alma St., #2, Palo Alto, CA 94306 USA.

FOR SALE & WANTED

SWATCH "VERDUHRA" FOR SALE US$ 5,000. Tel: 41 + 61/312.25.00.

EMPLOYMENT

EXECUTIVE POSITIONS AVAILABLE

$70,000

Are my earnings last month with my international health marketing company. I need aggressive individuals to aid with int'l expansion. NOW! (805) 981-0171. Fax (805) 981-0342 USA.

EXECUTIVES AVAILABLE

SPECIALIST IN BUSINESS WITH SOVIET UNION TOP EXECUTIVE

Looking for an attractive position. Wide experience, MBA, multilingual, free to travel. Write Box 2270, I.H.T., 92521 Neuilly Cedex, France.

GENERAL POSITIONS AVAILABLE

WANTED URGENT

RECRUITING AGENTS in PARIS

English mother tongue Fluent French and secretarial experience necessary. Good presentation. Able to negotiate with customers and supervise temporary employees.

GR INTERIM Call Nathalie (1) 47 58 82 30

Very interesting positions and excellent pay to those who prove efficient

PARIS ESTABLISHED RELOCATION Co. seeks very special woman, outgoing, smart, ambitious, organized. English mother tongue/fluent French. Send resume to Box 2276, I.H.T., 92521 Neuilly Cedex, France.

PHOTOGRAPHER SEEKS MODELS, height 1.68m; age 20 minimum, for swimming suits, F550/hour. Write with full length photo to: Guerlain, 34 ave Champs Elysees, 75008 Paris.

REPORTERS & RESEARCHERS needed FOR U.S. TV shows. Send resume to Prime Cut, 14 rue Violet, 75015 Paris

GENERAL POSITIONS WANTED

AUDITING - INT'L

Young economist, US/Swiss citizen, 1½ years of practice, presently working in an Eastern Europe development project (ends Aug. 1991). Successful track record within project management for int'l companies. High geographical mobility. English/German/French, if necessary Dutch, Italian, seeks new challenge with int'l firm, for choice in Auditing, Marketing or Assistant of the board of Directors (for medium size firm). Please write Box 2280, I.H.T., 92521 Neuilly Cedex, France or fax (41) 22 36 10 for quick response.

YOUNG FRENCHMAN, 30, seeks interesting position as personal assistant. well educated, reliable, perfectly bilingual French and English. Single, free to travel. Tel: Paris 1-47 45 35 47.

FRENCH lady 32, fluent English, Univ. graduate, excellent background, reliable, seeks post as travel companion. Box 2269, IHT, F-92521 Neuilly Cedex.

FRENCH CHEF, 40, fluent English, wishes to cater for you over Easter. Free to travel. Call Geneva 41 + 22/ 28 93 79 Fax 41 + 22/28 95 81.

SECRETARIAL POSITIONS AVAILABLE

ECCO TT (1) 45 34 60 29 Seats for Sevres (92) BILINGUAL ENGLISH

SECRETARY Steno + VISIO IV

EDUCATIONAL POSITIONS AVAILABLE

TEACHERS, AMERICAN OR ENGLISH, bilingual, experienced, full time. Valid working papers. Tel. Cyril Longue at Paris (1) 42.89.18.26.(1 - 6pm).

AUTO RENTALS

CENTURY SELF DRIVE

New cars - Unlimited mileage

RENAULT 5	F	963.80/week
RENAULT CLIO	F	1,085.80/week
PARIS/OPERA	(1)	42 61 68 68
ORLY AIRPORT	(1)	46 87 18 68
C.D.G. AIRPORT	(1)	34 29 80 08
NICE		93 21 11 15
LYON		78 95 44 88
MARSEILLE		42 79 28 28
STRASBOURG		88 35 34 88

AUTO SHIPPING

TRANSCAR 17 av de Friedland, 75008 Paris. (1) 4225 6444. Nice 9321 3550. Antwerp 233 9985. Cannes 9339 4344

AUTOS TAX FREE

TRASCO BREMEN. Tax free from stock NEW MERCEDES S-CLASS W140, Tax free new and used Audi, BMW, Mercedes, Porsche, Volkswagen, Volvo, Steindamm 38, 2820 Bremen 77, Germany. Tlx: 246624. Fax: (0)421/630205. Tel: (0)421/633044

TRASCO BREMEN Mercedes + Audi Armored cars & stretched limousines from stock. Steindamm 38, D-2820 Bremen 77 Germany. Tlx: 246624. Fax: (0)421/630205. Tel: (0)421/633044.

AUTO SERVICES

LICENCE PLATES EXPIRE? Fast solution. GMC, 26 Kleomenous, 10675 Athens, Greece. Fax 7219080

TICKET AGENTS

WIMBLEDON 91 Tickets available all days Tel 071 929 5622 Fax 071 929 5483

HEALTH/MEDICAL SERVICES

The Grosvenor Clinic

MALE IMPOTENCE

This problem is more common than most sufferers believe. Simple and effective medical remedies can now end this disturbing condition. **THE GROSVENOR CLINIC** in London specialises in impotence problems. Our sympathetic team of experienced doctors can treat almost all cases with excellent results in one visit. For more information please telephone LONDON (0811) 203 8080 Fax (081) 202 6714. Or write to: **THE GROSVENOR CLINIC (IHT)** 87 Watford Way, London NW4 4RS.

LOW COST FLIGHTS

ACCESS VOYAGES

	One Way	Round Trip
New York	F1100	F2295
Los Angeles	F2135	F4290
Miami	F1785	F3410
Washington	1280	F2565
Montreal	F1210	F2420
Rio de Janeiro	F3380	F5170
Australia	F4835	F7885
Japan	F4360	F7885
London	F595	F675

and more destinations ... Discount on 1st & business class *Rates subject to modifications Restrictions may apply* Tels: 1-40.13.02.02 & 1-42.21.46.94 Fax: 1-45 08 82 35 6 rue Pierre Lescot, 75001 Paris Metro - RER Chatelet Les Halles (Lic. 175.111)...and also

ACCES IN LYONS Tour Credit Lyonnais, 129 rue Servient 69003 Lyons. Tel. (16) 78 63 67 77 Book now by phone with credit card

WORLDWIDE scheduled departure at the lowest ever discount economy airfare. Credit cards possible. Tel: Paris (1) 42 89 10 81 Fax 42 56 25 82

DAILY FLIGHTS AT LOWEST FARES to any major North American int'l airport. Tel: Paris (33-1) 47 04 67 51.

HOLIDAY RENTALS

FRENCH PROVINCES

FRANCE, CANNES. Beautiful villa, 4 large bedrooms, pool, garden, beautiful views, spectacularly furnished, housekeeper/cook. Available month of July. $25,000 U.S. Tel: 33-93 38 55 57 or Fax: 33-93 99 37 08 France.

GREAT BRITAIN

STUDENT ROOMS, Central London (SW7), June til September. £50-68 week. Tel PLC 071 244 6103

PARIS & SUBURBS

JARDIN DES PLANTES charming, 2 rooms, July & August. F6,000/month. Tel: (1) 45 35 83 82 evenings.

AVE JUNOT, residential Montmartre, high class 150 sq.m. flat, 6 rooms, terrace. July-Aug. F15000/mo. 1-42237248

Page 11 FOR MORE CLASSIFIEDS

ADMINISTRATIVE / SECRETARIAL POSITIONS

Société Pétrochimique Internationale recherche pour Pont de Neuilly

Secrétaire de Direction

30-35 ans, 5 années d'expérience minimum, BTS secrétariat. Outre le secrétariat classique, vous assurerez par votre vivacité d'esprit, votre autonomie, vos sens de l'initiative et votre disponibilité le support permanent de la Direction. Votre expérience professionnelle vous a permis de développer vos capacités d'organisation et un sens affirmé des relations humaines. Une maîtrise parfaite de l'anglais oral et écrit est necessaire pour ce poste. Poste à pourvoir rapidement.

Adressez CV + photo et salaire actuel sous référence 9145 au **CABINET CLAUDE VITET CONSULTANTS** *94, avenue Kléber - 75116 PARIS.*

(Organisations et Publicité)

PERSONAL ASSISTANT TO AN INTERNATIONAL EXECUTIVE

Paris

Bilingual English/French with a university-level degree, you are perfectly at ease in the company of senior executives. In addition to the usual task of managing his professional and personal appointments, you will organise his entertainment programme and travel arrangements with a maximum of diplomacy and tact.

Aged between 35 and 45, your willingness to invest the time required by this position, your adaptability, your versatility as well as your smile make you the personal assistant we are looking for.

Knowledge of the financial sector would be a distinct advantage.

Please send a handwritten letter enclosing your CV and photo giving the reference 84/008 HT to our consultants KEY MEN - 10 rue de Rome - 75008 PARIS.

KEY MEN

ADMINISTRATIVE SECRETARIAL POSITIONS

We are a leading French medical technology company located near Lyon (Export sales count for 95 % of our sales) and we are looking for a young bilingual

Executive Secretary

(French/English)

to assist our Chairman and our President (Lyon-based position).

The ideal candidate should be fluent in English and French. Practice of word processing and graduate level required. Two years experience minimum would be an asset for this position.

Please send handwritten letter, resume, picture and salary requirements to:

Catherine VERMEEREN TECHNOMED INTERNATIONAL 11 rue Leblanc, 75015 PARIS

Int'l Asset Management Group based in Paris **seeks**

EXECUTIVE SECRETARY FOR ITS COMMERCIAL MANAGER

This position requires perfect command of English as well as fluency in French.
In charge of communication with our clients, she will need excellent organization and communication skills. Previous experience in financial institution would be appreciated.
Please send CV + letter in English + photo + remuneration requirements to:

A.I.M.
6 rue Paul Baudry, 75008 Paris
Attention Commercial Manager

BUSINESS MESSAGE CENTER

ATTENTION EXECUTIVES

Publish your business message in the International Herald Tribune, where more than a third of a million readers worldwide, most of whom are in business and industry, will read it. Just telex us (Paris 613595) before 10 a.m., assuring that we can telex you back, indicate which major credit card you wish to charge it to, the number and expiration date, and your message can appear within 48 hours. Please also include your address and telephone number for our files.

FINANCIAL INVESTMENTS

Investment Opportunity in the New Europe

Former East German cement factory, specializing in prefabricated products such as housing units, is being privatized. Company has 1000+ employees and is seeking US $ 20 million in investment capital. For further information, please contact Mr. Helmut Eismann, Boulevarde Varineb GBR, Blumenhagenstrasse 1, W03000 Hannover 1, Fax: 011 49 511 701829.

SERVICED OFFICES

PORTUGAL YOUR OFFICE IN LISBOA

Short or long term, with tel, fax, secretary, corporate domicile. LISBOA CENTER. Tel: (3511) 57.56.57 Fax: (3511) 57.56.58

BUSINESS OPPORTUNITIES

IRISH NON-RESIDENT COMPANIES £195

Ideal tax-avoidance vehicles: low profile, tax free & European. Suitable for trading, consultancy and other activities. For immediate service contact:

Eilish Murphy, Director, Sovereign Company Services, 3 Fitzwilliam Place, Dublin 2, Ireland. Tel: +353 1 618490 Fax: 618493

INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS FROM US$150

Comprehensive professional services include nominees, Representative offices, Powers of attorney, Telex, telephone Fax, mail forwarding worldwide Island Enterprises National House, Douglas, Isle of Man. Phone: (0624) 624555 Tlx 628352 Island G. Fax: (0624) 622947

OFFSHORE

Companies for all purposes including banking and insurance. We offer 30 years professional experience worldwide. Brochure on request. **ASTON CORPORATE MANAGEMENT** 19, Peel Road, Douglas, Isle of Man. Tel: 0624 626 591 Fax: 0624 625 126

BUSINESS OPPORTUNITIES

MERCHANT BANK FOR SALE

No assets or liabilities. No transfer or qualification requirements. Class A license. Bearer shares. U.S. $10,000. Private party. Fax Mr. Spencer: 708-818-9635 USA

URGENTLY NEEDED !

Agents needed for a banking company in California specializing in Venture Capital Projects and collateral placements. Fax: ABC Personnel (619) 673-0517 CA. USA

HONG KONG CORP., $415. Annual cost $398. SE Ltd. 701 35 Queen's Rd. HK. Tel:852-5233672 Fax: 852-8402217.

OFFSHORE COMPANIES! All areas! JPCR, 1/5 Church Street, Douglas, Isle of Man. Tel 0624 629529 Fax 629462

BUSINESS SERVICES

I HAVE PRESTIGE OFFICES in Mayfair. I speak English and French. I wish to undertake representation for established clients. Please write outlining your requirement and remuneration offered to Box 2312, I.H.T., 63 Long Acre, London, WC2E 9JH

GIBRALTAR TRUST & COMPANIES. Full confidential and professional services. Goatsland Trust Co. Ltd. P.O. Box 609, Gibraltar. Tel: 350-79013. Fax: 350-70101. Tlx 2110 G Trust GK.

THE CHANCE FOR THE FUTURE - Angola & Mocambique, businessman travels in July/Aug., can organize your business, look-up your interests. MOC-Markus Wirtz Fax (49)7152-72121

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 071-499-9192. Tx 263690.

CHECK THE IHT WEEKLY CLASSIFIED SECTIONS FOR ALL YOUR SERVICE NEEDS

Inside Pages

- Business Message Center, Commercial Real Estate, Dining Out, *Wednesdays;*
- International Recruitment, *Thursdays;*
- Real Estate Marketplace, *Fridays;*
- Arts & Antiques, Auction Sales, Education Directory, *Saturdays.*

Back Page

- Secretarial Positions, *Tuesdays;*
- Automobile Market, *Wednesdays;*
- Holidays and Travel, *Friday;*
- Friendships, *Saturdays.*

Printed by Newsfax International, London. Registered as a newspaper at the post office.